

NOMINATIONS AND REMUNERATION COMMITTEE

TERMS OF REFERENCE

1. Composition

- 1.1 The NRC should comprise at least three (3) directors of the Company. The majority of the NRC members, including the NRC Chairman, should be independent and all of whom should be non-executive directors. The lead independent director of the Company, if any, should be a member of the NRC.

2. Roles and Responsibilities

The NRC was formed by the Board to carry out the following duties:-

Directors' Fees

- 2.1 To recommend for the Board's endorsement, policies and guidelines on the remuneration of non-executive directors, before shareholders' approval is sought.

Key Executive Appointments

- 2.2 To recommend for the Board's approval, any proposed appointment, remuneration, promotion, termination, retirement, re-employment and/or extension of employment of its key management personnel, i.e., the GCEO, Group Chief Financial Officer (the "**GCFO**"), the Group Chief Operating Officer (the "**GCOO**") and equivalent positions, and the Company Secretary.

Compensation

- 2.3 To review and ensure the executive remuneration policies are relevant, performance-related, promote long-term success of the Company, aligned with shareholders' interest and are market competitive relative to the industry. This includes any non-standard compensation related schemes or programmes for the business or organisation that the management may propose and to be reviewed and approved by the NRC.
- 2.4 To recommend for the Board's approval the specific remuneration packages for each director as well as of key management personnel (i.e., the GCEO, GCFO and GCOO).
- 2.5 To review SingPost's obligations arising in the event of termination of executive directors' and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.
- 2.6 To establish performance targets, including non-financial targets, of key management personnel (i.e. the GCEO, GCFO and GCOO), for the Board's approval.
- 2.7 To assist the Board in the embedment of Sustainability targets and performance as an integral part of the long-term incentive compensation structure of the GCEO and the senior leadership management team including key direct reports.
- 2.8 To assess the performance of the GCEO and recommend to the Board for approval the rewards of the GCEO and his key direct reports.
- 2.9 To review and recommend for the Board's approval the disclosure of matters in the Company's annual report relating to the remuneration of the GCEO and the remuneration of the top five (5)

key management personnel in addition to the GCEO, and the disclosure of any share plan and share option schemes. The disclosures include names and remuneration of employees who are substantial shareholders of the Company, or are immediate family members of a director, GCEO or a substantial shareholder of the Company with such relationship clearly stated.

- 2.10 To review and approve policies relating to staff benefits or “benefits in kind” and to recommend any amendments to the staff claims policy.

Long Term Incentive (LTI) Plans

- 2.11 To review the design of SingPost’s LTI policy e.g. Restricted Share Plan, Singapore Post Share Option Scheme and any share scheme which may be established by the Company from time to time (collectively referred to as the “**Schemes**”) and administer such Schemes.
- 2.12 Resulting from Environmental (including climate-related matters), Social, and Corporate Governance (“**ESG**”) / Sustainability goals and targets set for the Company (under the purview of the Board Sustainability Committee), to cause the ESG / Sustainability metrics to be directly correlated to and factored into the LTI Plans for long term value creation.
- 2.13 Have broad oversight of the rules, regulations, eligibility, terms and conditions (including but not limited to grant size, exercise price, valuation methodology, valuation variables and vesting details) relating to the Schemes.
- 2.14 To review the submissions seeking approval from the SGX-ST and/or any other regulatory authorities as may be necessary for the Schemes and any modifications to the Schemes.

Penalties for Disciplinary Cases

- 2.15 To recommend for the Board’s decision, penalties for disciplinary cases involving key management personnel (i.e., the GCEO, GCFO and GCOO) and equivalent positions.

Succession Planning and Executive Development

- 2.16 Periodically review succession planning for key management personnel (i.e., the GCEO, GCFO, GCOO) and equivalent positions in the Company, with a formal review carried out prior to submission of the succession plan to the Board on an annual basis. Review potential internal and external candidates for succession in the light of immediate, medium term and long term needs.
- 2.17 Review, on an annual basis, the development plan for key senior executives as well as high-potential talent of the Company.
- 2.18 If external candidates are to be considered in the event of the replacement of GCEO, the Board Chairman will draw upon resources from the NRC and lead a special process to identify high calibre individuals capable of delivering to the Company’s present and future requirements. If professional bodies are engaged to assist with the search process, explicit instructions will be given to such professional bodies of the Company’s commitment in building and maintaining a diverse and inclusive culture. Both female and male candidates are to be proposed.

Organisation, People and Culture

- 2.19 Annual review of the overall Human Resources Strategy with focus on attracting, developing and retaining talents, to support business strategy and drive desired culture.
- 2.20 Present findings and recommendations from employee engagement surveys, pulse checks, 360-degree feedback for C-suite to address opportunities for development, enhance leadership effectiveness, and monitor attrition rates (for high-potential at AVP & above).

Nominations and Corporate Governance

- 2.21 To establish a formal and transparent search and nomination process for the selection, appointment and re-appointment of directors to the Board of SingPost, taking in account the need for progressive renewal of the Board. The process includes meeting with shortlisted candidates by Board members to (i) assess his/her suitability, (ii) communicate level of commitment expected (including time commitment), and (iii) provide sufficient information to make an informed decision.
- 2.22 To review and assess candidates for directorships before recommendation to the Board for appointment or re-appointment taking into account the Board Composition Matrix of skill sets and capabilities and the objectives of building a board that embodies diversity, with an appropriate balance between functional skill sets, domain expertise, and specific skills and capabilities needed to support the Company's strategy and business.
- 2.23 To review the size and composition of the Board and Board committees from time to time, and propose new members or seek the retirement/re-appointment of directors, in accordance with the requirements of the SGX-ST Listing Rules, Constitution of the Company and the Board Renewal and Tenure Policy, to ensure appropriate balance and mix of skills, knowledge, experience, technical expertise and diversity to support the Company's strategy and business and foster constructive debate.
- 2.24 To determine on an annual basis, and as and when circumstances require, whether or not a director is independent in conduct, character and judgement, and whether there are relationships or circumstances which could interfere, or be perceived to interfere, the director's independent judgment, taking into account applicable law, regulations and listing rules and all other salient factors, and recommend to the Board accordingly.
- 2.25 Where an existing director is considering accepting appointments to other boards of directors or advisory boards of any public or privately held company or any other principal commitments which involve significant time commitment, to decide whether the director is able to and has been adequately carrying out his/her duties as director of the Company. Additionally, to decide, where a director who has multiple board representations in other listed corporations and/or other principal commitments which involve significant time commitment, that such director is able to and has been adequately carrying out his/her duties as a director of SingPost. A board member should serve on no more than five (5) listed company boards.
- 2.26 To review and recommend to the Board the appointment of directors on the boards of the SingPost Group or boards of investee companies which are identified to be significant entities. If professional bodies are engaged to assist with the search process, explicit instructions will be given to such professional bodies of the Company's commitment in building and maintaining a diverse and inclusive culture. Both female and male candidates are to be proposed.

- 2.27 To review and recommend to the Board orderly succession plans for directors, in particular the Chairman.
- 2.28 To develop and recommend a process for the evaluation of performance and objective performance criteria in in order to carry out a formal assessment of the effectiveness of the Board as a whole and its Committees and the contribution by each individual director to the effectiveness of the Board annually.
- 2.29 To recommend to the Board enhancements to the corporate governance principles applicable to the Company and to review at least annually the Company's corporate governance practices, having regard to relevant local and international developments (including changes in applicable law, legislation or listing rules).
- 2.30 To undertake a benchmarking to best practices every three (3) to five (5) years and make recommendation to the Board with the objective of further enhancing the corporate governance practice of the Company.
- 2.31 As part of the compliance procedures under the Company's Policy on Directors' Conflicts of Interest, to receive communications on any suspected violations of the policy and to bring it to the attention of the Board and make recommendations to the Board on investigations if necessary and/or the appropriate action to be taken.
- 2.32 To review and decide training and professional development programmes for the Board and its directors. In particular to provide:-
- (a) incoming directors with comprehensive and tailored induction upon joining the Board;
 - (b) first time directors (i.e. directors who have had no prior experience as directors of a listed company) with training in the roles and responsibilities of a listed company director. In assessing the relevant experience, the NRC must have regard to whether the experience is comparable to the experience of a person who has served as a director of an issuer listed on the SGX-ST, and disclose its reasons in SGX-ST announcement for its assessment that the first-time director possess relevant experience; and
 - (c) all directors with regular training particularly on relevant new laws, regulations and changing commercial risks from time to time.

Others

- 2.33 To review and ensure that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants.
- 2.34 To review and assess the adequacy of the NRC's Terms of Reference at least once a year and request the Board's approval for proposed amendments.
- 2.35 Any other responsibilities as determined by the Board