

CORPORATE GOVERNANCE

CapitaMalls Asia has adopted and implemented high standards of corporate conduct which are in line with the principles of the Code of Corporate Governance 2005 (Code). We believe in the need for developing and maintaining sound and transparent policies and practices to meet our specific business needs and to provide a solid foundation for a trusted and respected business enterprise. We remain focused on the substance and spirit of the principles of the Code while achieving operational excellence and delivering the Group's long term strategic objectives. This report on our corporate governance practices for our financial year 2010 (Report) describes our application of good governance principles in the spirit of our commitment towards integrity, transparency and excellence. This application is underpinned by sound and proactive systems of internal controls and accountability, which we believe promotes and drives long term sustainable growth and value for our shareholders. The following sections outline our policies and practices, with specific reference to each of the principles of the Code.

(A) BOARD MATTERS

Board's Conduct of Affairs

Principle 1:

Every company should be headed by an effective Board to lead and control the company. The Board works with Management to achieve this and the Management remains accountable to the Board.

Our Board comprises a majority of non-executive directors who are independent of Management. Each director brings to the Board his skills, experience, insights and sound judgment which, together with strategic networking relationships, serves to further the interests of our Company's group of companies (Group). At all times, each director is obliged to act honestly and with diligence, and consider the best interests of our Company.

The key roles of our Board are to:

- Guide the corporate strategy and directions of the Group;
- Ensure that Senior Management discharges business leadership and management with integrity and enterprise; and
- Oversee the proper conduct of the Group's business.

As at 31 December 2010, the Board comprised 10 directors, of whom nine were non-executive directors. With the resignation of Dr Fu Yuning on 1 January 2011, the Board currently comprises nine directors, of whom eight are non-executive directors. They are business leaders and professionals with governmental, financial, banking, trading, real estate, healthcare and legal backgrounds. Profiles of each of the directors are found on pages 24 to 28 of this Report.

The positions of Chairman and Chief Executive Officer (CEO) are separately held by two persons to maintain effective supervision and accountability at each of the Board and Management levels.

The Chairman of our Board is Mr Liew Mun Leong, who brings with him a wealth of experience from his leadership of, and Board participation in, major global companies such as CapitaLand Limited, of which he is President and CEO. Our CEO is Mr Lim Beng Chee, who also brings with him a wealth of real estate investment and asset management experience, including experience from his previous appointments in various positions within the CapitaLand group of companies. Our only executive director is Mr Lim Beng Chee.

The Board has regular discussions on the key activities and business strategies of the Group, during which the Board deliberates, among other things, the strategic policies of the Group, including significant acquisitions and monetisations, approving the annual budget, reviewing the performance of the Group's businesses, and approving the release of the quarterly and full-year results after they are reviewed by the Audit Committee (whose composition and role are described below).

A total of five Board meetings were held in 2010. A Project Committee meeting attended by the Board was held in 2010 in relation to the listing of CapitaMalls Malaysia Trust.

A table of the Board members' participation in the various Board committees (as further described below) is set out on page 40 of this Report. This reflects each Board member's additional responsibilities and special focus in the respective Board committees.

A table showing the attendance record of directors at Board meetings and Board committee meetings during the year of 2010 is also set out on page 40 of this Report. We believe in the important contributions of our directors beyond attendance at formal Board and Board committee meetings. To judge a director's contribution based on his attendance at formal meetings alone would not do justice to his overall contribution, which includes being accessible to Management for guidance or exchange of views outside the formal environment of Board and Board committee meetings.

The Board has adopted a set of internal controls which establishes approval limits for capital expenditure, investments and monetisations, bank borrowings and minimum signature requirements for cheques at the Board level. Approval sub-limits are also provided at Management levels to facilitate operational efficiency.

Changes to regulations and accounting standards are monitored closely by Management. Our directors are briefed during Board meetings or at specially convened sessions conducted by professionals on regulatory changes, including any relevant revisions to accounting standards, that have any significant bearing on our Company's or directors' obligations.

Newly appointed directors are briefed by Management on the business activities and strategic directions of the Group. Each director is briefed and provided with a formal letter of appointment setting out his or her duties and obligations. Directors are also briefed and provided with relevant information on our Company's policies and procedures relating to corporate conduct and governance including disclosure of interests in securities, restricted periods for dealings in our Company's securities, restrictions on disclosure of confidential or price sensitive information and the disclosure of interests relating to certain property transactions.

Board Composition and Guidance

Principle 2:

There should be a strong and independent element on the Board, which is able to exercise objective judgement on corporate affairs independently, in particular, from Management. No individual or small group of individuals should be allowed to dominate the Board's decision-making.

As at 31 December 2010, the Board comprised 10 directors. With the resignation of Dr Fu Yuning on 1 January 2011, the Board comprises nine directors, of whom five are non-executive directors who are independent of Management as well as our substantial shareholders. A director is considered independent if he has no relationship with our Company, our related companies or officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgment in the best interests of our Company. Mr Sunil Tissa Amarasuriya, Dr Loo Choon Yong, Mrs Arfat Pannir Selvam, Professor Tan Kong Yam and Mr Yap Chee Keong are considered to be independent directors.

Mr Sunil Tissa Amarasuriya has been an independent director of our Company since 30 October 2009. In FY 2010, a subsidiary of his associate, BP de Silva (Malaysia) Sdn Bhd, is a tenant in Gurney Plaza which is owned by a subsidiary of the Company. The aggregate amounts received in FY 2010 by the Company and its subsidiaries from BP de Silva (Malaysia) Sdn Bhd amounted to approximately S\$91,000. Our Company nonetheless considers Mr Amarasuriya as an independent director as the tenancy with BP de Silva (Malaysia) Sdn Bhd was entered into prior to Mr Amarasuriya's appointment as a director of our Company and was in the ordinary course of business and on market terms. Our Company is also of the view that Mr Amarasuriya is able to exercise strong independent business judgement with a view to the best interests of our Company.

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Dr Loo Choon Yong has been an independent director of our Company since 30 October 2009. In FY 2010, the Group paid for healthcare insurance and various medical services from companies within the Raffles Medical Group Ltd (RMG) group of companies (RMG Group). RMG is an associate of Dr Loo. The aggregate amount paid by our Company to the RMG Group in respect of such services in FY 2010 amounted to approximately S\$276,000. Our Company nonetheless considers Dr Loo as an independent director as such services were provided by the RMG Group in the ordinary course of business and the amounts paid to the RMG Group were on an arm's length basis, based on normal commercial terms. Our Company is also of the view that Dr Loo is able to exercise strong independent business judgement with a view to the best interest of our Company.

The composition of the Board enables Management to benefit from their external, diverse and objective perspectives on issues brought before the Board. It also enables the Board to interact and work with Management through a robust exchange of ideas and views to help shape the strategic process. This, together with a clear separation of the roles of Chairman and CEO, provides a healthy professional relationship between the Board and Management with clarity of roles and facilitates robust deliberation on the business activities of the Group.

The Board is supported by Board committees to provide independent supervision of Management. A Nominating Committee (NC) has been established to make recommendations to the Board on all Board appointments and determine a director's independence. Besides the NC, the other Board committees are the Audit Committee (AC), Executive Resource and Compensation Committee (ERCC), Finance and Budget Committee (FBC), Investment Committee (IC) and the Corporate Disclosure Committee (CDC). Each of these Board committees operate under delegated authority from the Board. The AC and ERCC are made up of independent or non-executive directors.

The Board may form other Board committees as dictated by business imperatives.

Membership of the various Board committees is carefully managed to ensure an equitable distribution of responsibilities among Board members, to maximise the effectiveness of the Board and foster active participation and contribution from Board members. Diversity of experience and appropriate skills are considered. Our Company has also taken steps to ensure that there are appropriate checks and balances between the different Board committees.

Chairman and Chief Executive Officer

Principle 3:

There should be clear division of responsibilities at the top of the company – the working of the Board and the executive responsibility of the company's business – which will ensure a balance of power and authority, such that no one individual represents a considerable concentration of power.

To ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making, the roles and responsibilities between the Chairman and CEO are held by separate individuals. The non-executive Chairman, Mr Liew Mun Leong, is responsible for the Board and acts independently in the best interests of our Company and shareholders, while the CEO, Mr Lim Beng Chee, is responsible for the overall operation of the Group's businesses. The Chairman and CEO are not related to each other.

The Chairman ensures that the members of the Board and Management work together with integrity, competency and moral authority, and that the Board constructively engages Management on strategy, business operations, enterprise risk and other plans.

The CEO is a Board member and has full executive responsibilities over the business directions and operational decisions of the Group. The CEO, in consultation with the Chairman, schedules Board meetings and finalises the preparation of the Board meeting agenda. He ensures the quality and timeliness of the flow of information between Management and the Board. He is also responsible for ensuring that the principles and guidelines of the Code are complied with.

Board Membership

Principle 4:

There should be a formal and transparent process for the appointment of new directors to the Board.

The NC ensures that the Board and Board committees in the Group comprise individuals who are best able to discharge their responsibilities as directors or, as the case may be, Board committee members, having regard to applicable laws and regulations as well as the highest standards of corporate governance. In performing its role, the NC is guided by its Terms of Reference which sets out its responsibilities.

In particular, the NC reviews and recommends:

- Candidates for appointments on our Company's Board and Board committees;
- Nomination for re-appointment or re-election or renewal of appointment of Directors; and
- Candidates to be our nominees on the boards and board committees of listed companies and entities within the Group.

The NC sources for candidates who would be able to effectively value add to Management through their contributions in the relevant strategic business are as of the Group and in the constitution of strong and diverse boards. The composition of the Board, including the selection of candidates for new appointments to the Board as part of the Board's renewal process, is determined using the following principles:

- The Board should comprise directors with a broad range of commercial experience.
- At least one-third of the Board should comprise independent directors.

The selection of candidates is evaluated taking into account various factors including the current and mid-term needs and goals of our Company as well as the relevant expertise of the candidates and their potential contributions.

The NC comprises Dr Loo Choon Yong as the Chairman, Mr Liew Mun Leong and Mrs Arfat Pannir Selvam. The majority of the NC members, including the Chairman, are independent non-executive directors.

We believe that Board renewal is a necessary and continual process for good governance and maintaining relevance to the changing needs of the Group's businesses. The CEO, as a Board member, is also subject to retirement and re-election by shareholders as part of Board renewal.

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| Composition of Board and Board Committees | | | | | | | |
|---|-----------------|--------------------------------|---|------------------------------|----------------------|----------------------|--|
| Board Members | Audit Committee | Corporate Disclosure Committee | Executive Resource and Compensation Committee | Finance and Budget Committee | Investment Committee | Nominating Committee | |
| Liew Mun Leong | – | C | M | – | C | M | |
| Jennie Chua | – | – | – | – | – | – | |
| Lim Tse Ghow Olivier | – | M | – | C | M | – | |
| Lim Beng Chee | – | M | – | M | M | – | |
| Sunil Tissa Amarasuriya | M | – | M | – | – | – | |
| Dr Fu Yuning ¹ | – | – | – | – | – | – | |
| Dr Loo Choon Yong | – | – | C | – | M | C | |
| Arfat Pannir Selvam | – | M | – | – | – | M | |
| Professor Tan Kong Yam | M | – | – | – | M | – | |
| Hiroshi Toda ² | – | – | – | – | – | – | |
| Yap Chee Keong | C | – | – | M | – | – | |

Denotes: C=Chairman M=Member

1. Resigned as director with effect from 1 January 2011.

2. Resigned as director with effect from 16 June 2010.

The following table sets out a summary of the Board and Board Committee meetings in 2010.

| Attendance Record of Board and Board Committee Meetings | | | | | | | | |
|---|----------|-----------------|--------------------------------|---|------------------------------|----------------------|----------------------|-------------------|
| Board Members | Board | Audit Committee | Corporate Disclosure Committee | Executive Resource and Compensation Committee | Finance and Budget Committee | Investment Committee | Nominating Committee | Project Committee |
| No. of Meetings Held | 5 | 6 | – | 1 | 2 | – | – | 1 |
| Liew Mun Leong | 5 | – | – | 1 | – | – | – | 1 |
| Jennie Chua | 4 | – | – | – | – | – | – | – |
| Lim Tse Ghow Olivier | 5 | – | – | – | 2 | – | – | 1 |
| Lim Beng Chee | 5 | – | – | – | 2 | – | – | 1 |
| Sunil Tissa Amarasuriya | 5 | 6 | – | 1 | – | – | – | – |
| Dr Fu Yuning ¹ | 2 | – | – | – | – | – | – | – |
| Dr Loo Choon Yong | 4 | – | – | 1 | – | – | – | 1 |
| Arfat Pannir Selvam | 4 | – | – | – | – | – | – | – |
| Professor Tan Kong Yam | 3 | 4 | – | – | – | – | – | – |
| Hiroshi Toda ² | 2 | – | – | – | – | – | – | – |
| Yap Chee Keong | 5 | 6 | – | – | 2 | – | – | – |

1. Resigned as director with effect from 1 January 2011.

2. Resigned as director with effect from 16 June 2010.

Election and re-election of Board members is the prerogative and right of shareholders.

Our Company's Articles of Association require every director to retire once every three years and for this purpose, one-third of its directors (prioritised by length of service since previous re-election or appointment) to retire and subject themselves to re-election (one-third rotation rule) by shareholders at every Annual General Meeting (AGM). This effectively means that no Director will remain in office for more than three years without being re-elected by shareholders. In addition, a newly-appointed director will submit himself for retirement and re-election at the AGM immediately following his appointment. Thereafter, he is subject to the one-third rotation rule.

The CEO, as a Board member, is also subject to the one-third rotation rule. His role as CEO is separate from his position as a Board member, and does not affect the ability of shareholders to exercise their right to select all Board members.

Directors who are above the age of 70 are also statutorily required to seek re-appointment at each AGM.

Board Performance

Principle 5:

There should be a formal assessment of the effectiveness of the Board as a whole and the contribution by each director to the effectiveness of the Board.

We believe that Board performance is ultimately reflected in the long term performance of the Group.

The financial indicators, set out in the Code as guides for the evaluation of the Board and its directors, are in our opinion more of a measurement of Management's performance and therefore less applicable to directors. In any case, such financial indicators provide a snapshot of a company's performance, and do not fully measure the sustainable long term wealth and value creation of our Company.

A more important consideration is that the Board, through the NC, has ensured from the outset the requisite blend of background, experience and knowledge in technology, business, finance and management skills critical to the Group's businesses. It has from the outset ensured that each director with his special contribution brings to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made in the interests of the Group. Contributions by an individual Board member can also take other forms, including providing objective perspectives of issues, facilitating business opportunities and strategic relationships, and accessibility to management outside of a formal environment of Board and/or Board committee meetings.

Reviews of Board performance as appropriate are informal. Renewal or replacement of Board members do not necessarily reflect their contributions to date, but may be driven by the need to position and shape the Board in line with the medium term needs of our Company and its business.

Access to Information

Principle 6:

In order to fulfil their responsibilities, Board members should be provided with complete, adequate and timely information prior to Board meetings and on an on-going basis.

The Board is provided with timely and complete information prior to Board meetings and as and when the need arises. New Board members are fully briefed on the businesses of the Group.

Management provides adequate and timely information to the Board on Board affairs and issues requiring the Board's decision. It also provides ongoing reports relating to operational and financial performance of our Company, such as quarterly management financial reports. Where a physical Board meeting is not possible, the Articles of Association of our Company allow directors to convene meetings by teleconferencing or videoconferencing. Timely communication with members of the Board is effected through electronic means which include electronic mail, teleconferencing and videoconferencing. Alternatively, Management will brief directors in advance before seeking the Board's approval.

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The Board is entitled to have access to Senior Management and the Company Secretary at all times. The Company Secretary attends to corporate secretarial administration matters and is the corporate governance advisor on corporate matters to the board directors and Senior Management. The Company Secretary attends Board meetings. The Board is also entitled to have access to independent professional advice where appropriate.

Board meetings for each year are scheduled in advance in the preceding year to facilitate directors' individual administrative arrangements in respect of competing commitments.

The AC must also meet the external and internal auditors separately at least once a year, without the presence of the CEO and the Senior Management, in order to have unfettered access to any information that it may require.

(B) REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 7:

There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

Level and Mix of Remuneration

Principle 8:

The level of remuneration should be appropriate to attract, retain and motivate the directors needed to run the company successfully but companies should avoid paying more than is necessary for this purpose. A significant proportion of executive directors' remuneration should be structured so as to link rewards to corporate and individual performance.

Disclosure on Remuneration

Principle 9:

Each company should provide clear disclosure of its remuneration policy, level and mix of remuneration, and the procedure for setting remuneration in the company's annual report. It should provide disclosure in relation to its remunerative policies to enable investors to understand the link between remuneration paid to directors and key executives, and performance.

We believe that a framework of remuneration for the Board and key executives should not be taken in isolation. It should be linked to the development of management bench strength and key executives to ensure continual development of talent and renewal of strong and sound leadership for the continued success of the business and our Company.

Our Company's ERCC plays a crucial role in helping to ensure that we are able to recruit and retain the best talents to drive the Group's businesses forward. It oversees executive compensation and development in our Company.

The ERCC members comprise Dr Loo Choon Yong as the Chairman, Mr Liew Mun Leong and Mr Sunil Tissa Amarasuriya. All the members of the ERCC are non-executive directors, the majority of whom, including the Chairman, are independent. Outside members may be co-opted into the ERCC to provide a global perspective of talent management and remuneration practices.

The ERCC is guided by its Terms of Reference. Specifically, the ERCC will:

- Approve the remuneration framework for non-executive directors;
- Establish compensation policies for key executives;
- Approve salary reviews, bonus and incentives for key executives;
- Approve share incentives and share ownership for executives;
- Approve key appointments and review succession plans for key positions; and
- Oversee the development of key executives and younger talented executives.

The ERCC aims to build capable and committed management teams through competitive compensation, focused management and progressive policies which can attract, motivate and retain a pool of talented executives to meet the current and future growth of our Company.

The ERCC conducts, on an annual basis, a succession planning review of the CEO and selected key positions in our Company. Potential internal and external candidates for succession are reviewed in the light of immediate, medium term and longer term needs.

The ERCC is entitled to seek access to expert professional advice on human resource matters whenever there is a need to consult externally. In its deliberations, the ERCC takes into consideration industry practices and norms in compensation. The CEO is not present during the discussions relating to his own compensation and terms and conditions of service, and the review of his performance. The CEO will be in attendance when the ERCC discusses policies and compensation of his senior team and key staff, as well as major compensation and incentive policies such as the performance share plan and restricted stock plan framework for bonus, staff salary and other incentive schemes. One ERCC meeting was held in 2010.

The CEO as an executive director does not receive director's fees. He is the lead member of Management. His compensation consists of his salary, allowances, bonuses and share awards pursuant to our Company's Performance Share Plan and Restricted Stock Plan. The latter is conditional upon him meeting certain performance targets. The details of his compensation package are found in the Other Information section of this Report (Other Information).

Non-executive directors have remuneration packages consisting of directors' fees, attendance fees and share awards pursuant to our Company's Performance Share Plan and Restricted Stock Plan. The directors' fee policy is based on a scale of fees divided into basic retainer fees as director and additional fees for attendance and serving on Board committees. Details of the breakdown are found in the Other Information. Directors' fees for non-executive directors are subject to the approval of shareholders at each annual general meeting of our Company.

Our key executives have remuneration packages consisting of salaries, allowances, bonuses and share awards pursuant to our Company's Performance Share Plan and Restricted Stock Plan.

The basis of allocation of the number of share awards takes into account a director's additional responsibilities at Board committees.

We have disclosed the names and remuneration of our directors and at least the top five executives (who are also not directors) at page 177 and page 178. There were no employees who were immediate family members of a director or the CEO, and whose remuneration exceeded S\$150,000, during 2010.

A separate Remuneration Report is not prepared as most of the information is found in the Other Information. Details of the employee share schemes are given in the Directors' Report on page 88.

(C) ACCOUNTABILITY AND AUDIT

Accountability

Principle 10:

The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

Our Company believes in conducting itself in ways that deliver maximum sustainable value to our shareholders. Best practices are promoted as a means to build an excellent business for our shareholders and our Company is accountable to shareholders for its performance.

Our Company also believes that the separation of the roles of the Chairman and the CEO, and the holding of such appointments by separate individuals, ensures effective supervision of Management and maintenance of accountability of the Board to the shareholders, and of Management to the Board.

Prompt fulfilment of statutory reporting requirements is but one way to maintain shareholders' confidence and trust in the capability and integrity of our Company.

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Audit Committee

Principle 11:

The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties.

Our Company's internal policy requires the AC to have at least three members, all of whom must be non-executive and the majority must be independent.

The AC consists of three directors. Mr Yap Chee Keong, Chairman of the AC, and the other two members, Mr Sunil Tissa Amarasuriya and Professor Tan Kong Yam, are all independent non-executive directors. The members bring with them invaluable managerial and professional expertise in the financial and corporate finance domains.

The AC is guided by its Terms of Reference which defines its scope of authority. Under these Terms of Reference, the responsibilities of the AC include the review of the annual audit plan, adequacy of the internal audit process, results of audit findings and Management's response, adequacy and effectiveness of internal controls, as well as interested person transactions.

The AC will also review the Group's quarterly and full-year results and the appointment and re-appointment of auditors before recommending them to the Board for approval. The AC will also approve the compensation of the external auditors, as well as consider the nature and extent of non-audit services and their potential impact on the independence and objectivity of the external auditors.

The AC also reviews internal arrangements designed to enable employees of our Company to raise concerns, in confidence, on possible improprieties in matters of financial reporting or other matters. Pursuant to this, the Board has introduced a Whistle Blowing Policy where staff may raise improprieties to the AC Chairman in good faith, with the confidence that employees making such reports will be treated fairly and be protected from reprisal.

The AC meets with the external and internal auditors, without the presence of Management, at least once a year to discuss the reasonableness of the financial reporting

process, the system of internal control, and the significant comments and recommendations by the auditors. The non-audit fee paid and payable to the external auditors for FY 2010 amount to S\$31,000.

A total of six AC meetings were held in 2010.

Internal Controls

Principle 12:

The Board should ensure that Management maintains a sound system of internal controls to safeguard the shareholders' investments and the company's assets.

Internal Audit

Principle 13:

The company should establish an internal audit function that is independent of the activities it audits.

Our Company believes that it has in place a system of internal controls to safeguard shareholders' interests and the Group's assets, and also to manage risks. Apart from the AC, other Board committees may be set up from time to time to address specific issues or risks.

The AC's responsibilities in the Group's internal controls are complemented by the work of the FBC, which inter alia reviews the Group Finance Manual and the Group's annual budget. Based on the review of these Board committees, the Board, through the AC, is satisfied that there are adequate internal controls in place within the Group.

With effect from 1 December 2010, the Group's Internal Audit Department (CMA IA) was formed. Functionally, CMA IA reports directly to the AC and administratively to the CEO. The CMA IA plans its internal audit schedules in consultation with, but independently of, the Management and its plan is submitted to the AC for approval at the beginning of each year. The AC also meets with the CMA IA at least once a year without the presence of the Management.

(D) COMMUNICATION WITH SHAREHOLDERS

Communication with Shareholders

Principle 14:

Companies should engage in regular, effective and fair communication with shareholders.

Greater Shareholder Participation

Principle 15:

Companies should encourage greater shareholder participation at AGMs, and allow shareholders the opportunity to communicate their view on various matters affecting the company.

Our Investor Relations and Corporate Communications Departments facilitate regular, effective and unbiased communications with our Company's shareholders, analysts, fund managers and the media.

Our Company's results for the full year for financial year 2010 was released on a timely basis, within 55 days of the end of the financial year.

Our Company supports the Code's principle of encouraging shareholder participation. Apart from receiving the annual report in a CD format and notice of the AGM, shareholders are also notified of these announcements as advertised in the press and issued via SGXNET. At the AGM and reception thereafter, shareholders are encouraged to communicate their views and discuss with the Board and Management matters affecting our Company. The respective Chairpersons of the AC, NC and ERCC, and the external auditors, would usually be present at the AGM. Voting in absentia and by email may only be approved by the Board subject to careful study to ensure that the integrity of the information and authentication of the identity of shareholders through the web are not compromised and legislative changes are effected to recognise electronic voting.

The Company continues to reinforce communication with stakeholders and analysts to keep them updated on our financial results as well as our local and overseas corporate activities on a timely and consistent basis. In line with the disclosure requirements mandated under the Listing Manual of the SGX-ST, the Company's policy is to communicate relevant information soonest possible where immediate disclosure is not practicable. Regular mall visits, briefings and meetings for analysts and the media are held throughout the year. For our half-year and full-year financial results briefings, Senior Management reviews the Group's most recent performance and discusses our Company's outlook. In view of transparency and broad dissemination, these briefings are webcast live and accessible to the public on the Group's website at www.capitamallsasia.com. Materials used in the briefings are published via SGXNET and recordings of the briefings are also archived on the CMA Investor Relations website.

In 2010, we held our inaugural Investor Open Day jointly with CapitaMall Trust Management Limited and CapitaRetail China Trust Management Limited and attracted a total of 450 investors. This event is targeted at promoting open communication with the investors, allowing investors the opportunity to interact directly with Senior Management and to gain more understanding of our business strategy. In addition, Senior Management met with close to 600 institutional investors and analysts through group presentations, one-on-one meetings and conference calls.

Shareholders and potential investors have 24-hour access to CMA's website, including a dedicated Investor Relations link providing the latest announcements and company's stock details. In that link, the public is able to post questions via an 'Ask Us' email address. In addition, CMA pursues opportunities to keep its retail shareholders informed through the business media, website postings and other publicity channels.

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BOARD COMMITTEES

In addition to the NC, ERCC and AC described under Principles 4, 7 and 11, the Board of CMA has set up three other Board committees as follows:

Investment Committee

The IC is chaired by Mr Liew Mun Leong and comprises Mr Lim Tse Ghow Olivier, Dr Loo Choon Yong, Professor Tan Kong Yam and Mr Lim Beng Chee, CEO. The IC approves the Group's investments and monetisations, participation in tenders and bids and acceptance of credit facilities from financial institutions and banks.

Since 2005, the Board had approved the delegation of some of its authority to the various management committees within strict limits.

Finance and Budget Committee

The FBC is chaired by Mr Lim Tse Ghow Olivier and comprises Mr Yap Chee Keong and Mr Lim Beng Chee, CEO. The FBC reviews the annual budget and financial policies of the Group.

The FBC was formed in February 2010 and is responsible to review the financial forecasts and the annual financial plan of the Group. In addition, the FBC reviews and approves updates to the CapitaMalls Asia Group Finance Manual.

Corporate Disclosure Committee

The CDC is chaired by Mr Liew Mun Leong and comprises Mr Lim Tse Ghow Olivier, Mrs Arfat Pannir Selvam and Mr Lim Beng Chee, CEO.

The CDC was formed in February 2010 and reviews the promptness and comprehensiveness of corporate disclosure issues and key announcements made to the SGX-ST. It ensures the adoption of good corporate governance and best practices in terms of transparency to shareholders and the stakeholders.

DEALINGS IN SECURITIES

In line with the best practices outlined under the Listing Manual of the SGX-ST, our Company has issued guidelines to directors and employees in the Group, which sets out prohibitions against dealings in our Company's securities while in possession of material unpublished price-sensitive information, as well as during two weeks before the release of our Company's results for the first three quarters and one month before the release of our Company's full year results.

Directors and employees are also prohibited from dealing in securities of other listed companies in the Group while in possession of unpublished price-sensitive information by virtue of their status as directors and/or employees. They are also made aware of the applicability of the insider trading laws at all times.