

### Promotion of a culture of risk awareness

The Company's strong culture of risk awareness is upheld by integrating and embedding risk processes and procedures throughout each portfolio company.

Regular risk management updates and training are provided to the Company's board members and staff, to elevate their awareness of risk and emerging trends. Risk management initiatives, such as training and sharing sessions, are also undertaken by each portfolio company.

This Company-level activity supports and supplements the knowledge base that each portfolio company creates in respect of their own risk management activities.

### Principal Risks and Uncertainties

Set out below are the principal risks and uncertainties facing the Company, as required to be disclosed pursuant to the DTRs, as well as a summary of the steps taken to mitigate them. The principal risks and uncertainties have been revised to reflect our role as an engaged investor. Therefore, no analysis of the relative significance of each risk compared to the prior year is provided.

## Portfolio performance and optimisation

### Description

The Company's individual portfolio companies all operate in rapidly evolving and competitive business environments, requiring them to continuously adapt by creating new markets, devising new ways of delivering value to their customers, optimising costs and adopting technology-driven innovation. Failure by any portfolio company to meet such challenges will negatively impact the growth and equity performance of the Company.

In aggregate, the Company also faces inherent risks relating to the economic prospects of the sectors and geographic markets in which its portfolio companies operate. Excessive exposure to correlated economic cyclicality, sunset sectors, declining economies, sectors at risk of transformational disruption or competition from capital requiring substantially lower long-term returns could hinder the future growth and long-term returns on investment of the Company's portfolio as well as exposing the Company to excessive volatility. While business diversification (sectoral and geographic) will mitigate these risks, excessive portfolio complexity or capital intensity could also limit the Company's ability to invest at sufficient scale to build resilient, scalable businesses or dilute returns.

### Mitigation

At portfolio company level, the Company has taken actions as follows:

- Appointment of shareholder representatives on the Boards and Audit Committees of key controlled portfolio companies.
- Strong engagement at Board and Committee level on key topics relating to strategy, key personnel appointments, management incentives and major investments, as well as clearly agreed limits to balance sheet risk
- Regular monitoring of portfolio company operating performance & market dynamics by the Board and Jardines' shareholder representatives, to identify any weaknesses and opportunities at an early stage and to encourage and challenge management to act as appropriate.

For managing portfolios at JMH level, the Company has taken actions as follows:

- Sharing of issues or incidents among the portfolio companies as lessons learned and to strengthen preventative measures.
- Set up of well-defined asset allocation plan aligning with strategic objectives.
- Establishment of return and risk metrics and thresholds within the asset allocation plan which are expected to be met consistent with the Company's 5-year Total Shareholder Return time horizon.
- Controlled-investment positions prioritisation and establishment of minimum-scale criteria to avoid unintentional business/geographic exposures and excessive portfolio complexity
- Use of metrics and thresholds to monitor performance, concentration and composition of the Company's investment portfolio and to conduct periodic scenario analysis to understand how the portfolio performs under various potential adverse market conditions.
- Evaluations of new opportunities for investment in the context of the Company's overall portfolio and strategies.

## (Geo)political and economic

### Description

Global geopolitical risk represents uncertainties arising from international conflicts, shifting alliances, trade disputes, or global regulatory changes and it can disrupt markets, supply chains, and investment climates across multiple countries, impacting organisations with cross-border operations and global exposure and affecting sentiment in the territories in which the Company's portfolio companies operate, international flow of goods and services and impacting their prospects for growth and value of the Company as a whole.

Regional/local political developments bring uncertainties within a specific country or region, such as government instabilities, policy shifts, regulatory changes, corruption, or civil unrest. These developments directly affect portfolio companies operating in that jurisdiction, influencing investment security, operational stability, and compliance with local governance.

Beyond geopolitics or regional/local politics, the Company, as a long-term investor, is exposed to the risk of adverse developments in global, regional & local macro- & micro-economic developments that affect its portfolio companies. This is either directly or through the impact that such developments might have on the companies' joint ventures, partners, associates, bankers, suppliers, etc. These developments could include recession, deflation, currency fluctuations, restrictions in the availability of credit, business failures or increases in financing costs, oil prices and cost of raw materials.

### Mitigation

- Regular monitoring of geopolitical developments by using published geopolitical risk indices and collaborating with political analysts and "think tanks", to obtain early warnings of risks and inform decision-making.
- Strengthening of the Company's and portfolio company government affairs team and network with extensive engagement of senior management and stakeholders ongoing.
- Monitoring of macroeconomic environment and consideration of economic factors in strategic and financial planning.
- Agile adjustments to existing business plans, where appropriate, and exploration of new business opportunities and markets.
- Monitoring of the Company's exposure to various economic scenarios using hedging ratios, to understand their potential impacts and to prepare measures to address them.
- Utilisation of financial instruments, such as interest rate swaps and foreign exchange forwards, to hedge against economic risks.
- Review of the Company's insurance coverage to ensure that risks are transferred to the optimum extent.

## Strategic partnerships

### Description

The nature and effectiveness of the Company's relationships, and those of its portfolio companies, with joint venture partners, major shareholders of associate undertakings and franchisors, and in strategic alliances with other companies, government authorities, etc., will directly affect its performance.

These relationships create opportunities for growth, market expansion, improving operational efficiency and promoting innovation. However, they also introduce risks that can undermine shareholder value and lead to vicarious responsibility or liability that causes reputational damage.

These risks can stem from lack of transparency with respect to these parties' operations or their non-compliance with regulatory requirements that they face. Also, disputes with such parties may arise because of differences in corporate culture, priorities, strategic direction, management approaches, capital allocation and risk appetite between the Company's portfolio companies and such parties. Conflicts of interest involving these parties may also take place.

### Mitigation

- Sufficient research and due diligence on, as well as robust evaluation and selection of, potential business partners.
- Thorough legal review of draft partnership agreements to ensure that they contain adequate rights and protections, including partners' liability for poor performance.
- Close relationships with senior management of business partners, with regular communication on key strategic matters, including those relating to sustainability issues.
- Inclusion of scenarios relating to disruption of relationships with partners into business continuity planning.
- Regular evaluation and monitor partnership performance against agreed-upon metrics.

## Financial strength and funding capabilities

### Description

#### Financial strength & funding

The Company is exposed to financial market, credit and liquidity risks which can impact its financial strength and funding capabilities:

**Financial market risk:** the Company's financial market risks include fluctuations or adverse movements in market prices due to changes in macro-economic conditions. These include:

- (a) foreign currencies;
- (b) commodity prices; both impacting profitability of portfolio companies and its cashflow or dividend contribution to the Company;
- (c) interest rates, impacting cost of borrowing of the Company and its portfolio companies; and
- (d) equity market prices, impacting valuation of the Company and/or value of its investments

**Credit risk:** primarily attributable to counterparty default risk in respect of deposits held with banks, cash flows relating to investments in short-term money market funds or debt instruments if any, and credit exposure to derivatives.

**Liquidity risk:** primarily relates to inability to meet short-term financial obligations. The Company may face liquidity risk if its financial position persistently deteriorates and if it loses/has reduced access to funding from banking or capital markets.

All of these may negatively impact the Company's financial stability and performance as an investment company to meet strategic objectives for growth and return.

Sustained, deteriorating financial position and decline in key financial metrics can lead to a lower credit rating, which in turns will lead to higher cost and reduced access to liquidity. Credit ratings, being a primary risk indicator, also influence the type and profile of equity investors in the Company and their expected return on investment in the Company.

### Mitigation

#### Financial market risk:

- Clear treasury policy and principles in relation to foreign exchange exposure, cash management, hedging and prohibition on the use of derivatives other than for hedging purposes.
- Utilisation of derivatives and other financial instruments to hedge against risk from market price fluctuations as appropriate.
- Clear borrowing limits for the Company and its portfolio companies.
- Close monitoring and management of debt level and maturity profile to ensure the Company and the portfolio companies are well capitalised with strong debt-service and interest cover ratios.
- Strong communication with the Company's stakeholders and portfolio companies to monitor adherence to treasury policy and borrowing limits.
- Diversification of businesses into non-correlated economic exposures (e.g. less cyclical businesses); complementation of emerging market EMs exposures with developed Asia assets; and complementation of China-corridor capital exposures with others.

#### Credit risk:

- Clear bank/counterparty credit limit policy to manage exposure level and ensure diversifications.

#### Liquidity risk:

- Sufficient liquidity headroom from a combination of cash and sufficient amount of committed credit facilities.
- Continued access to bank and capital markets and ability to close out market positions.

The detailed measures taken by the Company to manage its exposure to financial risk are set out in the CFO's statement on pages 12 to 17 and Note 43 to the financial statements on pages 171 to 179.

## Climate

### Description

Climate change presents a multifaceted risk to the Company with the potential to materially affect asset values, earnings, and strategic objectives across our diversified portfolio. Increasingly severe and frequent acute weather events, including typhoons, flooding, and heatwaves, together with chronic impacts such as sea level rise, threaten to damage physical assets and infrastructure, and disrupt operations and supply chains of the portfolio companies. These impacts may reduce productivity across affected portfolio company operations and contribute to higher repair, replacement, and adaptation costs, rising insurance premiums or reduced availability of coverage, thereby eroding the value and long term performance of our investments.

Concurrently, transition risks arising from the global shift to a low carbon economy – including evolving regulatory frameworks, rapid technological change, and shifting customer, business partner and investor expectations – create material exposure to increased compliance costs, the potential obsolescence or stranding of carbon intensive assets, and loss of market share. These dynamics may also give rise to reputational impacts and increased cost of capital as capital markets re-price climate related risks, affecting both the Company and its portfolio companies.

These interconnected risks are further compounded by heightened liability exposure from climate related litigation and the potential for correlated shocks across sectors, which may amplify systemic market volatility, undermine traditional diversification strategies, and adversely impact portfolio returns. Collectively, these factors underscore the need for robust and integrated climate risk management to safeguard the resilience of the Company and to support the sustainable creation of long term value across its portfolio.

### Mitigation

- Sufficient governance and oversight through the Audit Committee, which oversees climate-related risks and opportunities with potential material financial, operational, or reputational impacts and ensure that climate-related disclosures are credible, aligned with recognised frameworks.
- Portfolio company engagements to align and coordinate climate action, execution and knowledge-sharing through the Sustainability Leadership Council and Climate Action Working Group.
- Integration of climate risk assessment and Just Energy Transition commitments into asset allocation, investment due diligence and ongoing portfolio management, supported by climate scenario analysis under different physical and transition pathways.
- Implementation of a common climate risk framework integrating climate risk drivers into existing business risks to strengthen climate governance, emissions reduction strategies, physical risk adaptation planning, and clear accountability of business risk owners.
- Active engagement with industry associations and monitoring of climate-related regulatory developments, disclosure requirements, and emerging technologies across jurisdictions to anticipate transition risks and inform investment and portfolio management decisions.
- Regular reviews and maintenance of insurance coverage for climate-related physical damage and business interruption, to the extent practicable, to manage residual risk exposure across the portfolio.

## Technology and cybersecurity

### Description

The Company's portfolio companies are reliant on technology and digital platforms and face cybersecurity and privacy-related risks. Cyberattacks are becoming more frequent and sophisticated, posing significant threats to the portfolio companies' digital infrastructures and information technology systems. Cyber risk is further accentuated by exposure to breaches at suppliers or customers, through both operational dependence on suppliers and network connections with counterparties. Also, current geopolitical developments may limit portfolio companies' access to the best technologies in some geographies.

Generative AI may impact us in the areas of cybersecurity, data privacy, business operations and regulatory compliance. AI is increasing and accelerating cyber threats such as phishing, deepfakes and cyberattacks. Use of AI can lead to creating errors in reasoning, information bias, ethical issues, IP infringements, etc., causing operational issues, reputational damage and regulatory/legal action.

Cyberattacks may also stem from a lack of cybersecurity awareness on the part of employees, which can result in human errors that cybercriminals can exploit to disrupt business operations or steal assets.

If a cyberattack takes place at the Company, one of its portfolio companies or their partners, third parties or customers, the Company and its portfolio companies may face the costs of having to recover systems, lost revenue, brand damage or regulatory action and penalties.

### Mitigation

- Establishment of minimum cybersecurity standards for portfolio companies and guidance for ensuring robust security programmes.
- Promotion of a strong cybersecurity culture within the Company and portfolio companies through regular training and phishing exercises, to enhance staff awareness of cybersecurity and data privacy.
- Adoption of evergreen modern solutions (such as cloud-based platforms) and strengthening of replacement policies to address system ageing risks and geopolitical restrictions.
- Regular security measures by using external consultants and automated tools, and at least annual test and update of incident response and business resilience plans.
- Implementation of policies, training, security practices and tools to ensure the use of AI is governed and risks are identified, considered and mitigated.
- Strengthening of data protection and privacy practices, including public disclosure on the Company's website regarding how personal information of external parties is handled.
- Adequate insurance coverage for cyberattacks and data breach risks.
- Due diligence on third party supplier and inclusion of contractual obligations requiring compliance with security standards.

## People & culture and safety

### Description

The success of the Company and its portfolio companies hinges on their ability to attract and retain quality personnel. Ensuring that the Company has the right executive talent, equipped with leadership skills and expertise in innovation, is critical in enabling it to execute its strategies effectively and implement required changes to its governance and operating model. This requires the smooth implementation of robust succession plans for key executive positions, to ensure stability and continuity. Any significant failure relating to executive talent could undermine the Company's operational and financial performance. In addition, the need for the Company and its portfolio companies to adapt to the rapidly changing business environment that they face requires the adoption of an agile mindset and culture by their personnel at all levels.

Several of the Company's portfolio companies are engaged in activities and markets that have high exposure to occupational health and safety risk. Furthermore, the safety and quality of many of the products of the Company's portfolio companies are fundamental to their reputation with customers. Any actual or perceived deficiency in product safety or quality may damage consumer confidence in the Company's brands, leading to financial loss or reputational damage.

### Mitigation

- Appointment of Boards and Chief Executives with the right leadership skills and experience both at the Company and all key portfolio companies to execute their business strategies.
- Proactive and effective succession planning for key management positions at both Company and Portfolio Company level, including identifying high-performing talent for strategic development under the new operating model.
- Robust strategic reward and recognition initiatives to incentivise performance, drive talent engagement, and enhance overall business performance.
- Significant investments in training, focusing on skills and success drivers required to implement the Company's strategy.
- Implementation of culture initiatives and governance structure, supported by clear policies and guidelines, regular training and monitoring to reinforce the right behaviours and ethical guardrails.
- Implementation of safety management systems and regular safety audits at the portfolio company level, with employee training, performance monitoring and bi-annual reporting taking place on both occupational and product safety.

## Governance, conduct, compliance, and integrity of reporting

### Description

The Company faces a number of governance and conduct-related risks that may affect its reputation and financial position. In addition, the Company and its portfolio companies are continuously subject to new or changing laws and regulations in several jurisdictions, as well as those with cross-jurisdictional impact, covering such matters as tax, employment, cybersecurity, data privacy, ownership of assets, climate and sustainability reporting requirements. The complexity created by this regulatory environment increases the risk that compliance obligations are breached. If compliance is not achieved and maintained by itself and by all of its portfolio companies, the Company may face claims, lawsuits, governmental investigations, fines and sanctions imposed by regulatory authorities, negative media exposure, affecting their operations, reputation and profitability.

Within the context of this changing environment, as a publicly-listed entity, the Company needs to ensure the integrity, quality and timeliness of its financial reporting and other disclosures.

As the Company evolves into an engaged investor, it actively guides strategic development, while the portfolio companies retain full accountability for determining, implementing and monitoring the execution of their own strategies. This requires monitoring the new governance and reporting practices to ensure they are effective in enhancing performance.

There is a risk that the Company is not able to achieve the ethical standards that it has set for itself, including rigorous measures for anti-bribery and corruption. This could be caused by inappropriate conduct of the Company or its portfolio companies themselves or any of their partners and third parties, exposing the Company to reputational damage, loss of trust in its brands and potential legal issues.

### Mitigation

- Appointment of shareholder representatives on Boards & Audit Committees to ensure effective oversight of governance.
- Implementation of comprehensive nomination processes for senior positions. The Company is committed to ensuring that each portfolio company has a well-rounded high-calibre board, with strong non-executives, to ensure that each entity is able to operate as a well-governed business.
- Establishment of a Company-wide mandatory Code of Conduct and related training for all management & staff of the Company, including new joiners. This is supported by a robust whistle-blowing framework. Certain portfolio companies have established similar Codes of Conduct and whistleblowing programmes.
- Establishment of compliance policies monitoring procedures at the Company and portfolio company levels, including making ongoing developments to financial reporting systems and controls.
- Regular monitoring of regulatory developments, with relevant expert legal input, to assess relevant implications of changes in regulatory frameworks.
- Well-qualified, high-calibre financial reporting, tax and audit functions, equipped with appropriate systems, technology & third-party external input to efficiently and effectively meet the requirements of financial and other external reporting.
- Early scenario planning to assess the implications of new rules and to prepare related contingencies.
- Engagement with government bodies, regulators and industry associations, including participating in consultations on proposed policy and regulatory changes.
- Regular compliance training to employees to ensure that they understand the importance of compliance.
- Regular review of portfolio companies' internal control, carried out by second line risk and compliance functions.
- Functionally independent internal audit functions that report to the Audit Committees on risk management, control environment and significant cases of non-compliance.