

STRACO CORPORATION LIMITED

Registration Number: 200203482R

(Incorporated in the Republic of Singapore)

RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE (“SGX”) ON THE ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (“FY2022 ANNUAL REPORT”)

The Board of Directors (the “**Board**”) of Straco Corporation Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the following query raised by the SGX via the RegCo Portal on 12 April 2023.

THE SGX’S QUERY

We refer to the Company’s announcement dated 4 April 2023 regarding its FY2022 Annual Report.

In accordance with Listing Rule 710A(2), the Company is required to disclose the following details, among others, regarding its board diversity policy:

- 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.

The Company has not disclosed these details in its FY2022 Annual Report. Please disclose accordingly.

THE COMPANY'S RESPONSE

The Company targets to achieve an appropriately balanced mix of diverse but complementary skills, competencies, knowledge, backgrounds and expertise on its Board that will prevent groupthink while allowing for effective collaboration and contribution in the Board’s activities. Our targets to achieve diversity on our Board are assessed from time to time, based on the composition of our Board and operations of our Group at the relevant time. As our Group’s operations are principally located in Singapore and China, an important aspect of diversity in our Board composition is ensuring that we have on our Board Directors who have work or directorship experience in Singapore and/or China, as well as Directors who are familiar with regulatory requirements in either of these countries. In addition, while we operate principally in the tourism industry, we recognise that it is important for our Board to, collectively, have expertise across various industries as our operations often involve activities in ancillary industries such as event management, technology and finance. Apart from the foregoing, we also aim to have a mix of genders and age groups on our Board.

The Directors have each completed Board appraisal forms relating to the effectiveness of the Board, which require, amongst others, considerations of diversity and Directors’ contributions. Our Nominating Committee has assessed and is of the view that the current Board composition has a mix of skills, competencies, knowledge, backgrounds and expertise that meets the above targets. As set out at page 47 of our FY2022 Annual Report, our Board comprises Directors with expertise in strategic planning, business management, investment and entrepreneurship across various

industries such as finance, technology, general commodities, pharmaceutical, event management, legal, and others. Many of our Directors have served as directors in companies elsewhere in Asia, including China, with the majority of our Directors being market experts in the tourism industry in China. In terms of age diversity, our Directors range from around fifty years old to over seventy years old. Four of our seven Directors are Independent Directors. One of our seven Directors is a female. Our NC has assessed and determined that the composition of our Board, including gender composition as well as other factors of diversity, is well-balanced for the Group's current operations. Our Company will where assessed to be necessary source for female candidates for appointment to our Board. Accordingly, our current plan for achieving the targets in the paragraph above is to monitor and assess, alongside developments in our Group's operations, whether the current Board composition presents a satisfactory level of diversity and allows for effective collaboration between and contribution by the Directors.

As our Nominating Committee has assessed the current level of diversity on the Board to be satisfactory, the Company generally does not set concrete timelines for achieving board diversity targets. Instead, the Company takes the approach that maintaining a satisfactory level of diversity is an ongoing process.

By Order of the Board

Lotus Isabella Lim Mei Hua
Company Secretary
14 April 2023