

CTPIS Corporate Governance Disclosures for Financial Year 2022

Introduction

China Taiping Insurance Singapore Pte Ltd (“the Company”) believe in having high standards of corporate governance. The Company’s Board of Directors (“Board”) reviews its corporate governance practices from time to time with its commitment to excellence and to ensure its compliance with relevant regulatory standards.

Board Composition, Profile and Roles and Responsibilities

Board Composition

As of 31 December 2022, the Board comprises of one third as Independent and Non-Executive Directors (“INEDs”), half as Non-Independent and Non-Executive Directors (“NINEDs”), and one director as Executive Director (“ED”).

A new INED was appointed as Board member on 1 March 2023, and a NINED retired from the Board at the same time. Thus, the composition of the Board meets the requirement of independent directors making up at least half of the Board where the Chairman is not independent as set out in the MAS Corporate Governance Guidelines.

The composition of the Board and the attendance of the Directors at meetings held during the financial year are as follows:

Members of Board	Designation	Number of Board Meetings Attended
Hong Bo (Chairman) ¹	NINED	4/5
Sitoh Yih Pin	INED	5/5
Dr Francis Koh	INED	5/5
Wang Xin ²	NINED	5/5
Zhang Zhongyi ³	NINED and ED	5/5
Yang Yamei ⁴	ED and NINED	5/5

¹Ceased to be Board Member since 1 February 2023.

²Ceased to be Board Member since 1 March 2023.

³NINED status till 6 June 2022, and subsequently ED status.

⁴ED status till 6 June 2022, and subsequently NINED status. Ceased to be Board Member since 1 March 2023.

Board Profile

Hong Bo

Mr. Hong Bo has a PhD degree from Shanghai Jiao Tong University. He has vast working experiences in the financial sectors including securities and insurance.

During his time at China Taiping Insurance Group, Mr. Hong Bo held key positions including:

- Deputy General Manager and Executive Director of China Taiping Insurance Group Limited, China Taiping Insurance (HK) Company Limited, and China Taiping Insurance Holdings Company Limited.
- Chairman of overseas subsidiaries of China Taiping Insurance Group, including those in Hong Kong, Macau, the United Kingdom, Japan, and Singapore.

Mr. Hong Bo served as the Chairman of the Company from 1 June 2017 to 1 February 2023.

Sitoh Yih Pin

Mr. Sitoh Yih Pin is a Chartered Accountant. He is also the Member of Parliament for Potong Pasir constituency and Chairman of the Government Parliamentary Committee for the Ministry of Culture, Community and Youth.

Mr. Sitoh is a member in the Government Parliamentary Committee for Ministries of Law and Home Affairs. He is also in the Board of Management of the People's Association. In addition, he is the Vice Chairman of Jalan Besar Town Council, and a member in the Central Community Development Council.

Mr. Sitoh holds a Bachelor of Accountancy (Honours) degree from the National University of Singapore and is a Fellow member of both the Institute of Singapore Chartered Accountants and Chartered Accountants Australia and New Zealand.

Currently he is serving as a Director in companies within his own accounting and consulting practice, which is CLA Global TS Holdings Pte Ltd and its subsidiary companies. He is also a director in Talkmed Group Limited which is a public listed company.

Professor Francis Koh

Professor Francis Koh obtained the degree of BBA (Hons) from the University of Singapore, MBA from the University of British Columbia and Ph.D from University of New South Wales. He is a member of the Institute of Chartered Public Accountant of Singapore and a Fellow of the Chartered Institute of Management Accountants (UK).

Employed by the Government of Singapore Investment Corporation (GIC) from 1994 to 2002, he was involved in direct investments in various countries, including China, Thailand and Indonesia. He had been active in consulting, executive development and public service.

In 2012, the University of St Gallen awarded Francis an honorary doctorate (honoris causa) in Economics. In 2013, the Singapore Government honoured him with the Public Administration Medal (Silver). In 2016, Wealth Briefing Asia awarded Professor Koh with the Lifetime Achievement Award for his contributions to Wealth Management.

He is currently the lead independent director of Manulife US Real Estate Management Pte Ltd.

He was a Mapletree Professor of Real Estate and Practice Professor of Finance and Special Advisor in the Office of the President at the Singapore Management University.

Yang Yamei

Mr. Yang graduated with a Bachelor of Economics (Major in Insurance) from the Financial and Banking Institute of China, Beijing in 1993. He also holds an MBA from Southern Illinois University, USA and a Master of Science in Wealth Management from Singapore Management University as well as a CFA (Chartered Financial Analyst) qualification from the CFA Institute.

Mr. Yang joined China Taiping Insurance Group in September 1997 as Assistant to General Manager of Taiping Insurance Co Ltd (Singapore Branch). He has been appointed as the Company's General Manager from September 2015 to June 2022. Currently, he is the CEO and Executive Director for China Taiping Insurance (UK) Company Limited. In addition, he is the President Commissioner of PT China Taiping Insurance Indonesia.

Mr. Yang ceased to be a Director of the Company from 1 March 2023.

Zhang Zhongyi

Mr. Zhang holds a Bachelor Degree in Economics from Changchun Taxation College and a Master Degree in Business Management from Jilin University.

Mr. Zhang has a wealth of experience spanning nearly three decades across various multinational financial and insurance companies with 21 years of service dedicated to China Taiping Insurance Group. During his tenure with the Group, he has held many key roles previously in Marine, Reinsurance, Overseas Management, and the General Manager of International Department in Hong Kong. He was responsible for the Group's international development strategy & support of overseas subsidiaries.

Prior to China Taiping, he worked in The People's Insurance Company of China.

Mr. Zhang is the current Chief Executive of the Company. He is the Director of Taiping Financial Holdings Company Limited, China Taiping Insurance (HK) Company Limited, China Taiping Insurance (Macau) Limited, and China Taiping Insurance Service (Japan) Company Limited.

Wang Xin

Mr. Wang Xin holds a Master's Degree in Economics from the School of Finance of Xi'an Jiaotong University and has been serving as Director of China Taiping Life Insurance (Hong Kong) Company Limited. In addition, he was the Chairman of China Taiping Life (Macau) Company Limited.

Mr. Wang Xin's management experience in the insurance industry spans more than 20 years and was built on his prominent roles in China Taiping Group of companies.

He has extensive experience in life insurance operations, information technology, shared services, and others with a professional qualification from the Association of Life Underwriting USA as an underwriter. He has served as a member of the National Six Sigma Promotion Working Committee since 2015 and is a Six Sigma Black Belt Master.

Mr Wang Xin ceased to be a Director for the Company from 1 March 2023.

Roles and Responsibilities

The Board is collectively responsible for overseeing the management of the business affairs and formulates the overall strategy for the Company. The Board delegates to the Management the responsibility of the execution of strategic plans and the management of daily operational matters. The Senior Management Team (“Management”) regularly reports to the Board on the financial performance as well as key business affairs. The Board reviews the Management’s performance.

The Board is responsible for the oversight of the Company’s Investment Policy and receives updates on investment performance from Management and developments on a quarterly basis. In addition, the Board approves significant policies governing the operations of the Company, year-end financial results of the Company, dividend payout, succession plans for directors, succession plans for Management positions, and appointment and removal of Appointed Actuary and Company Secretary.

Board Committees Composition and Roles and Responsibilities

The Board has established Strategic and Investment Committee (“Board SIC”), which aims to support it to enhance the company’s strategic and scientificness of the company’s strategic decision. The Board has established the Nomination and Remuneration Committee (“Board NRC”) with clear terms of reference to support it to review the proposed candidates for Directors and annual performance evaluation for Directors, the Board and Board Committees. In addition, the Board NRC is responsible for the effective oversight to implement the requirements in the Company Remuneration Policy.

The Board has established the Audit and Risk Committee (“Board ARC”), with clear terms of reference to assist it to effectively carry out oversight on risk management and audit matters. The Board ARC ensures the adequacy of our risk management, external audit, and internal audit functions.

Nomination and Remuneration Committee

NRC is chaired by an INED. NRC consists of a majority of INEDs in Financial Year 2023 when a new INED is appointed as Board member, and NRC member on 1 March 2023.

The Board NRC evaluates the skills, experiences and qualifications of the directors and review the appointment of the directors. The key responsibilities of the Board NRC include evaluating the performance of the Board, the Board committees, and each director annually, and reviewing the independence and qualification of our independent non-executive directors, including the composition of the Board and its committees. In assuming its remuneration committee role, the Board NRC proposes the remuneration packages for our independent directors.

In Financial Year 2023 and onwards, the Board NRC role will expand to review the remuneration structure of Management members and ensure the design of remuneration that covers all CTPIS’ employees.

The composition of the Board NRC and the attendance of its meetings during the financial year is as follows:

Members of NRC	Designation	Number of NRC Meetings Attended
Dr Francis Koh (Chairman)	INED	5/5
Hong Bo ¹	NINED	3/5
Yang Yamei ²	ED	2/2
Zhang Zhongyi ³	ED	3/3

¹Ceased to be NRC member since 1 February 2023.

²Ceased to be NRC member since 6 June 2022.

³Appointed as NRC member since 6 June 2022.

Audit and Risk Committee

ARC consists of a majority of INEDs, and is chaired by an INED.

The Board ARC provides oversight of the Management's handling of the business in terms of governance, risk management and internal controls in relation to financial, operational, compliance, and information technology. In addition, the Board ARC provides oversight over both external and internal audit assignments, and their outcomes. The Board ARC reviews significant related party transactions and oversee financial reporting.

The key highlights of the Board ARC meetings in 2022 are reviewing the outcomes of the external and internal auditor's' findings, the annual Own Risk Solvency Assessment' ("ORSA") Stress Test results, adequacy of the liquidity and capital position, the company's risk appetite and risk profile, and ensuring the effectiveness of the risk management framework.

The composition of the ARC and the attendance of its meetings during the financial year is as follows:

Members of ARC	Designation	Number of ARC Meetings Attended
Sitoh Yih Pin (Chairman)	INED	4/4
Dr Francis Koh	INED	4/4
Zhang Zhongyi ¹	NINED	1/2
Yang Yamei ²	NINED	2/2

¹Ceased to be ARC member since 6 June 2022

²Appointed ARC member since 6 June 2022. Ceased to be ARC member since 1 March 2023.

Strategic and Investment Committee

The Board SIC aims to support the Board to enhance the company's strategic and scientificness of the company's strategic decision. The committee deliberates and reviews the company's medium or long-term development strategy and other relevant strategic agenda, as well as to provide professional and specialized input for the Board to make strategic decision.

The key responsibilities of the SIC are:

- Review and comment on the company's annual strategy plan, 3-years' rolling plan and any other mid or long-term development strategy planning;
- Review and comment on the company's significant financial operation, such as merger and acquisition, acquisition and disposal of real estate, public listing and other relevant projects; and
- Review and comment on the company's other key strategic agenda.

The composition of the SIC and the attendance of the meeting during the financial year is as follows:

Members of SIC	Designation	Number of SIC Meetings Attended
Hong Bo (Chairman) ¹	NINED	1/1
Wang Xin ²	NINED	1/1
Yang Yamei ³	ED	1/1
Zhang Zhongyi ⁴	ED	Not applicable

¹Ceased to be SIC member since 1 February 2023

²Ceased to be SIC member since 1 March 2023

³Ceased to be SIC member since 6 June 2022

⁴Appointed SIC member since 6 June 2022

Role of Chairman and Chief Executive

The Chairman and Chief Executive are separate and unrelated individuals to ensure an appropriate balance and separation of power, increased accountability and greater capacity of the Board for independent decision making.

Mr Hong Bo was the non-independent and non-executive Chairman of the Board. Mr Hong Bo's roles and responsibilities include leading the Board to ensure its effectiveness on all aspects of its role, promoting a culture of openness and constructive debate at the Board, facilitating the effective contribution of all Directors and demonstrating and promoting high standards of corporate governance practices and ensuring that these practices are regularly communicated to the stakeholders.

Mr Hong Bo ceased to be a Director of the Company on 1 February 2023.

Mr Zhang Zhongyi is the Chief Executive of the Company. He leads the Management team, implements the business and risk strategies, remuneration and other policies in accordance with the direction given by the Board. The Chief Executive, assisted by the Management,

bears the responsibilities of the day-to-day management of the Company, including ensuring the continued adequacy and effectiveness of the systems of internal controls and risk management.

The Board is of the view that it is not necessary to have a lead independent Director as there is a good independence element on the Board with at least half of the Board consisting of Independent Directors as of 1 March 2023. The Board also has full and unrestricted access to all information pertaining to the Company's business and affairs as well as access to the Management of the Company. Furthermore, the Independent Directors are free to raise queries with and provide feedback to the Chairman on an ongoing basis.

The Board is of the view that there is no undue concentration of power in the hands of one single individual with the separation of the role of the Chairman and Chief Executive.

Independence of Directors

The independence of a director is determined based on the criteria set out in the Corporate Governance Regulations and the Corporate Governance Guidelines. The Corporate Governance Regulations provide that a director is considered independent if he is independent from management and business relationships and the substantial shareholder and if he has not served on the Board for a continuous period of nine years or more. The Board made the following independence assessments on 23 June 2022:

- i) Mr Sitoh Yih Pin is independent from business and management relationships with the Company and its related corporations and is independent from the Shareholder. He is not currently employed by any China Taiping Group company, does not serve on the boards of other China Taiping Group companies, and has no direct family members who are employed by the Company.
- ii) Mr Koh Cher Chiew Francis is independent from business and management relationships with the Company and its related corporations and is independent from the Shareholder. He is not currently employed by any China Taiping Group company, does not serve on the boards of other China Taiping Group companies, and has no direct family members who are employed by the Company.

None of the independent directors have served on the Board for more than nine years from the date of first appointment.

Directors' Training

The Board acknowledges the importance of continuing education for its directors to ensure that they are well equipped with the necessary skills and knowledge to perform their duties and meet the challenges facing the Board and the Company.

All Directors are given appropriate training on a continuing basis to help them discharge their duties effectively and be apprised of current issues that may affect the Company. Directors attend in-house and external programmes. Directors may also request training on specific topics of interest.

The Company has conducted training for the directors on Code of Conduct, Roles and Responsibilities, and emerging regulatory topics in the Financial Year 2022. The Directors

also meet with Senior Management to receive briefings on the Company's operations, business, compliance and risk management practices.

Nomination Process

The Board NRC maintains an appropriate balance and diversity of industry knowledge, skills, backgrounds, experience, professional qualifications, gender and nationalities in building an effective Board. In addition, the Board NRC reviews the composition of the Board and Board committees and identifies the skillsets which will enhance the effectiveness of the Board and the relevant Board committees.

The Board NRC recommends and assesses the nominee for the position of Chief Executive, other Management member and Appointed Actuary. In addition, the Board oversees the appointment, re-appointment and succession planning of these positions.

The Board NRC is responsible to oversee the performance evaluation of these positions. The NRC is also responsible to ensure all Management members and Appointed Actuary fulfil the fit and proper requirements, in line with the Company Fit and Proper Policy.

Board Effectiveness Evaluation

The Board NRC deliberates and recommends to the Board the evaluation outcome arising from the Directors' assessment on the Board and Board Committees, and the Board and Board Committees' Chairman' evaluation of their relevant Directors' contribution to the Board and Board Committees. This is done on an annual basis.

The results of the Financial Year 2022 assessment were reviewed and discussed by the Board, which enabled the Board to identify areas for professional development, as well as to further enhance its overall performance and discharge its roles and responsibilities effectively.

Remuneration

The Company's Remuneration policy is approved by the Board and is monitored and reviewed periodically. The level and structure of remuneration of the Board and Management are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objective of the Company. In addition, the remuneration is aligned with the Company's Code of Conduct and ethics and does not give rise to conflicts between the objectives of the Company and the interests of stakeholders.

The Company Material Risk Persons Guidelines approved by the Board establishes the Material Risk Takers. Non-Financial KPIs are in place for Management members and Material Risk Takers.

The remuneration for Management and Material Risk Takers does not create incentives for excessive risk-taking behaviour, where the Risk and Compliance department is involved in the design of remuneration components and provide inputs on relevant performance evaluation in relation to Code of Conduct, adherence to established risk management and compliance requirements through the Non-Financial KPIs.

The Remuneration Policy has stipulated a deferred remuneration scheme for Management where the annual variable performance bonus is paid over a period of time.

The Compliance function will recommend to the Management Culture and Conduct Committee any disciplinary action taken for any employee, including any Management member, and Material Risk Taker in relation to any breach of Code of Conduct or violation of any Company Policy. The Remuneration Policy stipulates the types of action which include the deduction of annual bonus for the culpable employee.

The Board is of the view that given the sensitive and confidential nature of the individual INED and Management member's remuneration, detailed disclosure on the remuneration of each of these individuals is not in the best interests of the Company and providing such remuneration details will prejudice the Company's interest in relation to its competitors, given the highly competitive environment of the insurance industry.

The disclosure of Key Management Personnel including INEDs' overall employee benefits for Financial Year 2022 can be found in the Financial Year 2022 Annual Report section "Key Management Personnel".

Risk Management and Internal Control Framework

The Company has established robust operational risk and controls under our Enterprise Risk Management ("ERM") framework. The Board exercises overall responsibility for the Company's internal control and its effectiveness. The Board, supported by the Board ARC and management, ensures that the practices and controls the Company has in place are adequate to safeguard policyholder's, shareholder's interests and company's assets.

The framework sets out clear management ownership and accountability of all the risks and controls in place. All business units will conduct continuous assessments on the adequacy and effectiveness of their operational processes and internal controls to ensure their compliance with the applicable rules and requirements. The Risk Management and Compliance department reviews their assessments and reports to the Management and Board ARC. In addition, a review of the effectiveness of controls is conducted by Group Audit and external auditors, with recommendations provided to the Board ARC. The Board ARC ensures that the recommendations are adopted, and issues resolved in a timely manner.

The Board, with the concurrence of the ARC and based on the work performed by internal and external auditors, is of the view that the Company's internal controls including financial, operational, compliance and information technology controls, and risk management systems were adequate and effective as at 31 December 2022, to address the risks which the Company considers relevant and material to its operations.

The Board received assurance from the Chief Executive and Chief Financial Officer ("CFO") that the financial statements for Financial Year 2022 had been properly maintained and the financial statements give a true and fair view of the Company's operations and finances.

The Board had also received assurance from the Chief Executive and key management personnel on the adequacy and effectiveness of the Company's risk management and internal control systems.

Whistle-Blowing

The Company has established whistleblowing guidelines. Based on the Company's whistleblowing guidelines, cases are investigated by the Risk Management and Compliance department and the outcome of the investigation is escalated to Management Culture and Conduct Committee. Material fraud matters are escalated to the Board ARC. Substantiated cases involving the violation of accounting practices, failure of internal accounting controls, violation of the Company Code of Conduct or local law and regulations will be escalated to the Chairman of the Board ARC.

Shareholders

The Company is a wholly owned subsidiary of China Taiping International Company Limited, which is kept apprised of the Company's operations in Singapore, and there is effective communication between the Company and China Taiping International Company Limited.

The Company's Annual General Meeting is held within six (6) months from the financial year end and is convened pursuant to Section 179(6) of the Companies Act 1967.

Related Party Transactions

Related party transactions are carried out in accordance with the Company's policy and procedures for the same. All material related party transactions must be approved by the Board. In addition, all related party transactions are reviewed to ensure that they are undertaken on an arm's length basis. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.