

# GREAT EASTERN GENERAL INSURANCE LIMITED

(Incorporated in Singapore)  
(Company Registration No. 192000003W)

## CORPORATE GOVERNANCE REPORT

(as at 1 April 2024)

The Board of Directors and Management of Great Eastern General Insurance Limited (“GEG” or the “Company”) place great importance on the high standards of corporate governance and are committed to upholding the values of integrity, honesty and proper conduct at all times in the business operations and dealings of the Company and its subsidiaries (collectively, the “Group”).

The Company adopts corporate governance practices that conform with the Insurance (Corporate Governance) Regulations 2013 (“CG Regulations”) and the Guidelines on Corporate Governance for Designated Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers issued by the Monetary Authority of Singapore (“MAS”) on 9 November 2021 (the “MAS CG Guidelines”).

The Company is a wholly-owned subsidiary of Great Eastern Holdings Limited (“GEH”). GEH is designated as a financial holding company under Section 4(1) of the Financial Holding Companies Act 2013 through the Financial Holding Companies (Designated Financial Holding Companies) Order 2022. GEH’s corporate governance practices conform with the Financial Holding Companies (Corporate Governance of Designated Financial Holding Companies with Licensed Insurer Subsidiary) Regulations 2022 as well as the MAS CG Guidelines. As GEH is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”), it complies in material aspects with the Code of Corporate Governance issued on 6 August 2018 and amended on 11 January 2023. The Company’s corporate governance practices are aligned with the practices of its holding company, GEH.

The Company is a direct composite insurer which is incorporated in Singapore.

### BOARD MATTERS

#### THE BOARD’S CONDUCT OF AFFAIRS

**The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.**

The Board is appointed by the shareholder to supervise the management of the business and affairs of the Company. The prime stewardship responsibility of the Board is to ensure the viability and sustainability of the Company and that it is managed in the best interests of the Company as a whole while taking into account the need to safeguard the interests of the shareholder, customers, policyholders and other stakeholders. The Company has a Board charter approved by the Board.

The Board provides strategic direction to, and oversight of the operations of, the Company. In addition, the Board provides oversight of senior management executives to ensure they carry out the day-to-day operations of the Company effectively and in accordance with the Company’s Code of Conduct.

**GREAT EASTERN GENERAL INSURANCE LIMITED  
CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

The principal roles and functions of the Board, as set out in the Board charter, include the following:

- (a) providing leadership, reviewing, approving and overseeing the implementation of the Company's strategic direction and overall business objectives as well as the organisational structure of the Company as developed and recommended by Management;
- (b) ensuring that the decisions and investments are consistent with the long-term strategic goals of the Company and the objectives of the individual policy funds;
- (c) ensuring that the obligations to its shareholder, customers, policyholders and other stakeholders are understood and met;
- (d) ensuring that the necessary resources are in place for the Company to achieve its objectives;
- (e) ensuring that the Company is operated in accordance with the relevant laws and regulations, as well as policies, processes and guidelines approved by the Board, so as to preserve its financial integrity;
- (f) reviewing the acquisition or disposal of assets that is material to the Company;
- (g) meeting regularly with Management, including key persons in control job functions, discussing and reviewing critically the decisions made, information provided and any explanations given by Management and key persons in control job functions, relating to the business and operations of the Company;
- (h) providing oversight in ensuring that the risk appetite and activities of the Company are consistent with the strategic intent, operating and regulatory environment, effective internal controls, capital sufficiency and regulatory standards;
- (i) overseeing, through the Audit Committee, the quality and integrity of the accounting and financial reporting systems, disclosure controls and procedures, and system of internal controls, and the review of all material related party transactions;
- (j) overseeing, through the Risk Management Committee, the management of the risks of the Company, the establishment and operation of an independent and competent risk management function, supported by a system of sound internal controls, for identifying, measuring, monitoring, controlling and reporting risks on an enterprise-wide basis, the adequacy of the risk management function (including ensuring that it is sufficiently resourced to monitor risk by the various risk categories and that it has appropriate independent reporting lines), the capital management strategy, including the optimal allocation of capital resources, and the quality of the risk management processes and reporting;

**GREAT EASTERN GENERAL INSURANCE LIMITED**  
**CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

- (k) overseeing the succession planning for Directors and Management, their selection, appointment and removal (including reviewing the reasons for resignation), and the management of its talent resources;
- (l) overseeing the establishment and review of the Code of Conduct and ethics as well as the culture and conduct framework, emphasising integrity, honesty and proper conduct at all times, with respect to internal dealings and external transactions, including situations where there are potential conflicts of interests;
- (m) providing a balanced and objective assessment of the performance, position and prospects of the Company, including reports to regulators;
- (n) overseeing the design and operation of an appropriate remuneration framework and ensuring that the remuneration practices are aligned with the remuneration framework;
- (o) ensuring that the remuneration policies are in line with relevant regulations and guidelines, the strategic objectives of the Company, as well as the Company's Code of Conduct and ethics, and do not give rise to conflicts between the objectives of the Company and the interests of employees;
- (p) providing oversight of Management, including reviewing the appointment and removal of any Management, setting out clearly the roles, responsibilities, accountability, delegated authority and reporting relationships of Management and key persons in control job functions, and having these properly documented;
- (q) ensuring that the knowledge and expertise of Management and key persons in control job functions are appropriate given the risk profile and nature of the business of the Company, and that Management carry out the day-to-day operations of the Company effectively and in accordance with the Company's Code of Conduct and ethics, business objectives and strategies, and long-term interests and viability;
- (r) reviewing Management's performance and ensuring that Management formulates policies and processes to promote fair practices and high standards of business conduct by staff;
- (s) developing a continuous development programme for all Directors to ensure that they are equipped with the appropriate skills and knowledge to perform their roles on the Board and Board Committees effectively and are updated on changes in laws, regulations, standards, strategies, new business lines, risk profile, etc;
- (t) formulating strategies, taking into consideration sustainability issues such as environmental and social factors, and reviewing and approving all material environmental, social and governance ("ESG") issues and the sustainability strategy; and
- (u) maintaining records of all meetings of the Board and Board Committees, especially with regard to records of discussions on key deliberations and decisions taken, and concerns raised by Directors about the running of the Company or proposed corporate

**GREAT EASTERN GENERAL INSURANCE LIMITED**  
**CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

action that was not resolved, if any; and

- (v) reviewing the recommendations and reports prepared by the Company's appointed actuary and certifying actuary of the Company.

The Board also reviews the corporate governance framework, culture and conduct framework, business objectives and strategies on a periodic basis, and when there are material developments, to ensure that they remain relevant and effective.

Directors with conflicts of interest recuse themselves from discussions and decisions involving issues of conflict.

### **Board Approval**

The Company has adopted internal guidelines on matters which require Board approval. These guidelines are communicated to Management in writing. Matters requiring Board approval include overall business strategy and direction, significant policies governing the operations of the Company, strategic or significant acquisitions, investments and divestments by the Company, corporate restructuring, major corporate initiatives and other activities of a significant nature, dividend policy, dividend declaration and the financial statements of the Company.

The Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below the threshold limits to the Board Committees and Management to optimise operational efficiency.

### **Board Committees**

While the Board has ultimate responsibility for the affairs of the Company, it has established a number of Board Committees to assist it in carrying out more effectively its oversight of the operations and business affairs of the Company. For the financial year ended 31 December 2023 ("FY2023"), these Board Committees consisted of the Audit Committee, Risk Management Committee and Sustainability Committee. All the Board Committees have been constituted with clear Board-approved written terms of reference setting out their compositions, authorities and duties, and any changes thereto also require the Board's approval.

The Company's Board Committees, in carrying out their responsibilities in accordance with their respective terms of reference, are also actively involved in assisting the Board to ensure compliance with good corporate governance practices by the Company. Minutes of Board Committee meetings, which provide a fair and accurate record of the discussions and key deliberations and decisions taken during the meetings, are maintained and circulated to the Board. The composition and details of the principal roles and responsibilities of the Board Committees are set out below.

**GREAT EASTERN GENERAL INSURANCE LIMITED  
CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

**Audit Committee**

The Audit Committee comprises the following Directors:

- Mr Leo Mun Wai, Chairman
- Dr Chong Yoke Sin, Member
- Mr Lee Boon Ngiap, Member

All of the members are non-executive Directors and independent from management and business relationships. A majority of the members (including the Audit Committee Chairman), that is Mr Leo Mun Wai and Mr Lee Boon Ngiap, are independent Directors. None of the members are serving on the Audit Committee within a period of two years from the date of his/her ceasing to be a partner/director of Messrs PricewaterhouseCoopers LLP (“PwC”), the external auditor of the Company. None of them hold any financial interest in PwC.

Members of the Audit Committee are appropriately qualified to discharge their responsibilities. In particular, Mr Leo Mun Wai and Mr Lee Boon Ngiap have relevant accounting and auditing experience. All the Audit Committee members possess financial management knowledge and experience. The Audit Committee members keep abreast of relevant changes through regular updates from the external auditor on changes to accounting standards and issues which have a direct impact on the financial statements.

The Audit Committee carries out its functions in accordance with Section 201B(5) of the Companies Act 1967, the CG Regulations and the MAS CG Guidelines and operates within Board-approved terms of reference which set out the Audit Committee’s authority and duties.

The Audit Committee has explicit authority to investigate any matter within its terms of reference and has the full co-operation of and access to Management. It has full discretion to invite any Director or senior management executive to attend its meetings. It also has resources to enable it to discharge its functions properly.

The Audit Committee held a total of 14 meetings in 2023. The Audit Committee meetings were attended by the internal and external auditors, the Group Chief Executive Officer (“Group CEO”), Group Chief Financial Officer (“Group CFO”) and certain senior management executives.

Further information on the Audit Committee is provided on pages 26 and 27 of this Report.

**Risk Management Committee**

The Risk Management Committee comprises the following Directors:

- Mr Quah Wee Ghee, Chairman
- Mr Leo Mun Wai, Member
- Mr Soon Tit Koon, Member

## **GREAT EASTERN GENERAL INSURANCE LIMITED CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

All of the members are non-executive Directors and have the relevant technical financial sophistication in risk disciplines or business experience to enable them to discharge their duties effectively.

The Risk Management Committee is responsible for the oversight of risk management and compliance issues which the Company is or may be exposed to (including market, credit, liquidity, insurance, operational, technology, conduct, money laundering and terrorism financing, legal, regulatory, reputational, strategic and sustainability risks) to manage the financial, operational and reputational impact arising from these risks. It reviews the overall risk management philosophy, including the risk profile, risk appetite and tolerance level, and risk and capital management and strategy, guided by the overall risk appetite and corporate strategy approved by the Board.

The Risk Management Committee performs its functions pursuant to its Board-approved terms of reference. Such terms of reference include the review and approval or endorsement of the Company's enterprise risk management framework, major policies, charters and strategies for effective risk management (including risks arising from investment management and asset-liability management). The terms of reference also include the review and approval of major risk management initiatives and adequacy of risk management practices for all material risks.

The Risk Management Committee endorses the appointment and annual appraisal of the Group Chief Risk Officer ("Group CRO"), who reports directly to the Risk Management Committee and the Group CEO. The appointment of the Group CRO also requires the prior approval of MAS.

The Group CRO is responsible for establishing and implementing the Group's risk management framework and processes of identifying, assessing, measuring, controlling, mitigating, monitoring and reporting of risks.

The Group Risk Management Department has adequate resources and is staffed by experienced and qualified personnel who are sufficiently independent to perform their duties objectively. The Group Risk Management Department regularly engages senior management executives to develop enterprise-wide risk controls and risk mitigation procedures.

The Risk Management Committee held a total of seven meetings in 2023.

The Company's enterprise risk governance and management objectives and policies and other pertinent details are disclosed in the Company's financial statements.

### **Sustainability Committee**

Prior to its dissolution on 31 January 2024, the Sustainability Committee comprised the following Directors:

- Mr Lee Boon Ngiap, Member
- Mr Leo Mun Wai, Member

## **GREAT EASTERN GENERAL INSURANCE LIMITED CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

All of the members are non-executive Directors. The Sustainability Committee held a total of three meetings in 2023.

### **GEH Group Sustainability Council**

To ensure an aligned approach across the Great Eastern group of companies (“Great Eastern Group”) in respect of the Great Eastern Group’s sustainability-related strategy, its implementation and results thereof, the GEH Group Sustainability Council, which comprises members from the Board of GEH and its principal subsidiaries, was established on 1 February 2024, in place of the Sustainability Committee which was dissolved on 31 January 2024.

The GEH Group Sustainability Council comprises the following members:

- Mr Ng Chee Peng\*, Chairman
- Mr Lee Boon Ngiap, Member
- Mr Leo Mun Wai, Member
- Mrs Teoh Lian Ee\*, Member

\* *Mr Ng Chee Peng and Mrs Teoh Lian Ee are Directors of GEH.*

All of the members are non-executive Directors.

The responsibilities of the GEH Group Sustainability Council are set out in its Board-approved terms of reference. The GEH Group Sustainability Council is responsible for reviewing the Great Eastern Group’s sustainability strategy, goals and priorities principally in relation to ESG matters. It also provides supervision and oversight on the activities of the management committees or management working groups on sustainability and integration of sustainability strategy into the Great Eastern Group’s business objectives (including strategy, operations, risk management, employment practices, ethical conduct and corporate social responsibilities and related sustainability projects of the Great Eastern Group), identifies opportunities and related sustainability-related projects, and reviews progress made and the results of implementation.

The GEH Group Sustainability Council also provides direction on the Great Eastern Group’s position on relevant emerging sustainability trends and issues. It reviews and recommends for the GEH Board’s approval, the Great Eastern Group’s material ESG factors and sustainability-related frameworks and policies and also provides oversight of the management and monitoring of material ESG factors including the performance metrics and targets.

### **Meetings and Directors’ attendance**

The Board meets regularly during the year to review the business performance and key activities of the Company presented by Management, and to deliberate significant business proposals presented by Management. All members of the Board participate actively in Board discussions and decisions are taken objectively in the interests of the Company. The Board works with Management to achieve its stated goals and Management remains accountable to the Board. Where warranted by particular circumstances, *ad hoc* Board or Board Committee

**GREAT EASTERN GENERAL INSURANCE LIMITED  
CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

meetings will be convened. Each year, the Board and senior management executives meet to review and refresh strategies for the Company. In 2023, the Board and its Board Committees held a total of 33 meetings, including the Great Eastern Board Strategy Meeting.

The contributions of the Directors go beyond attendance at meetings. They individually or collectively engage with other Directors and Management outside formal meetings in their oversight of the affairs of the Company.

If a Director is unable to attend a Board or Board Committee meeting, he will still receive all the papers and materials to be tabled for discussion at that meeting. Directors are provided with complete, adequate and timely information related to agenda items before each meeting. Directors are also equipped with electronic tablets that allow secured access to Board and Board Committee meeting materials. Information provided includes background information on matters to be addressed by the Board, copies of disclosure documents, monthly internal financial statements, enterprise risk management and audit dashboards, operating plans, forecasts, and reports of variances from operating plans and forecasts.

The number of meetings of the Board and Board Committees held in 2023 and the attendance of the Directors at those meetings reflected against the number of meetings held during their time in office are tabulated in the following table.

**Directors' attendance at Board and Board Committee meetings in 2023**

Director	Board <sup>(1)</sup>	Audit Committee	Risk Management Committee	Sustainability Committee
Soon Tit Koon <sup>(2)</sup>	6/6	-	5/5	-
Koh Beng Seng <sup>(3)</sup>	3/3	-	2/2	1/1
Chong Yoke Sin <sup>(4)</sup>	-	-	-	-
Mimi Ho <sup>(5)</sup>	9/9	14/14	-	3/3
Norman Ip <sup>(6)</sup>	3/3	-	2/2	-
Lee Boon Ngiap <sup>(7)</sup>	9/9	14/14	-	2/2
Leo Mun Wai <sup>(8)</sup>	9/9	14/14	5/5	3/3
Quah Wee Ghee	9/9	-	7/7	-

**Notes:**

- (1) Inclusive of the Great Eastern Board Strategy Meeting held on 12 September 2023.
- (2) Mr Soon Tit Koon was appointed as the Board Chairman on 22 April 2023.
- (3) Mr Koh Beng Seng stepped down as the Board Chairman and a member of the Risk Management Committee and Sustainability Committee on 21 April 2023.
- (4) Dr Chong Yoke Sin was appointed as a Director and a member of the Audit Committee on 22 January 2024.
- (5) Ms Mimi Ho stepped down as a Director, the Chairman of the Sustainability Committee and a member of the Audit Committee on 31 December 2023.
- (6) Mr Norman Ip stepped down as a Director and a member of the Risk Management Committee on 16 April 2023.
- (7) Mr Lee Boon Ngiap was appointed as a Member of the Sustainability Committee on 1 June 2023.
- (8) Mr Leo Mun Wai was appointed as a member of the Risk Management Committee on 17 April 2023.

Two Board sessions without Management were held in 2023. Directors' attendance at these sessions is not included in the above table.

**GREAT EASTERN GENERAL INSURANCE LIMITED  
CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

**Access to Information**

The Directors are provided with relevant and timely information by Management on matters to be discussed or considered at meetings of the Board and Board Committees. For matters requiring approval, information furnished by Management usually includes background explanatory information, relevant facts and/or analysis to support the proposal, implications or merits of the case, risk analysis and mitigating strategies, the budget (if applicable) and Management's recommendation. The senior management executives who can provide additional information and insight or provide clarifications to queries raised are usually present at the meetings during discussion on such matters. Occasionally, external consultants engaged on specific projects may also be invited to brief the Board or Board Committees, where relevant. All Board and Board Committees members have unfettered access to information which the Company is in possession of or has access to, to enable them to make informed decisions and discharge their duties and responsibilities.

Information furnished to the Board on an on-going basis includes the business forecasts, monthly financial and quarterly reports prepared on a Great Eastern Group basis which includes the financial results and performance of the Company, with explanations of material deviations between actual results and business plans and/or budgets. Management also provides the Board with information on material risks exposed by the Company, including credit, market, liquidity, operational, technology, conduct, money laundering and terrorism financing, legal, regulatory, reputational, strategic and sustainability risks.

Directors have separate and independent access to the Company Secretary. The Company Secretary attends all Board meetings and prepares minutes of Board proceedings. She assists the Chairman to ensure that appropriate Board procedures are followed and that applicable regulations are complied with. Under the direction of the Chairman, she ensures good information flow within the Board and Board Committees, and between senior management executives and non-executive Directors. The Company Secretary also facilitates the orientation of new Directors and continuous development of Directors, as required. The appointment and removal of the Company Secretary is considered to be a matter for the Board as a whole.

The Board also has separate and independent access to Management. Other than at Board and Board Committee meetings, Directors are able to approach Management to discuss and review information, business development and decisions made which relate to the business and operations of the Company.

The Directors may take independent professional advice as and when necessary to enable them to discharge their duties effectively. Similarly, the Board and Board Committees may obtain professional advice, whenever necessary and appropriate, so as to effectively discharge their roles and responsibilities. All engagements of external advisers are at the Company's expense.

## **GREAT EASTERN GENERAL INSURANCE LIMITED CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

### **Board Orientation and Development**

Upon the appointment of a new Director, the newly-appointed Director will be apprised of his/her statutory and fiduciary duties and obligations and issued a Director's orientation kit, which will include key information on the Company, the terms of reference of the Board and Board Committees, duties and obligations of Directors as well as relevant rules and regulations. As part of the induction programme for new Directors, the Group CEO and senior management executives will conduct presentation sessions for new Directors on the Company's principal activities, business lines, strategic plans, risk profile and business operations, in particular, the insurance business and the induction programme will be tailored to the specific development needs of the new Directors. The Company constantly reviews and improves on the contents of such briefings to new Directors to take into account any new legislative changes which affect the roles and responsibilities of Directors and to enable them to have a more comprehensive understanding of the Company, the insurance business and practices, relevant regulatory requirements and the Company's financial position. All Directors are invited to attend the briefing sessions arranged for new Directors to refresh their knowledge. In 2024, orientation sessions were conducted for the newly-appointed Director, Dr Chong Yoke Sin. The Company also arranges for new Directors to be briefed on areas such as accounting, risk management and insurance and for first-time Directors with no prior experience as a director of a financial institution, to undergo training in the roles and responsibilities of Directors.

The Board ensures that there is a continuous development programme for all Directors, to ensure that they are equipped with the appropriate skills and knowledge to perform their roles on the Board and Board Committees effectively. The Company's continuous development programme is reviewed and updated, where necessary, by the Board on an annual basis. The continuous development programme for the Directors has been updated in view of the increasing emphasis placed on sustainability matters.

From time to time, the Company organises talks, seminars or presentations by external professionals, consultants or Management on topics relevant to the insurance industry, relevant new laws, regulations and changing commercial risks, and provides updates on developments in the industry locally and in other developed countries. In 2023, the Directors, in particular, the Audit Committee members, were kept abreast of the implementation progress of Singapore Financial Reporting Standards (International) ("SFRS(I)") 17 and the impact of SFRS(I) 17 adoption on the Company's financial statements during Board and Audit Committee meetings. Industry-related and topical articles are regularly circulated to Directors as part of the Company's continuous development programmes for Directors. Continuous training and development programmes are offered to Directors and they may attend appropriate courses, conferences and seminars conducted by professional bodies within the industry or other professional organisations including programmes conducted by the Singapore Institute of Directors where relevant.

The Company arranges for and funds the training and development programmes for existing and new Directors. The Company also maintains formal records of the training and development received by its Directors.

## **GREAT EASTERN GENERAL INSURANCE LIMITED CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

Continuous development programmes arranged by the Company for its Directors in 2023 included the following topics:

- SFRS(I) 17
- ESG and Climate Risk Management - Legal
- ESG and Climate Governance
- External Trends in Life Insurance
- GenAI in Insurance
- Anti-Money Laundering, Sanction Compliance and Due Diligence
- Cybersecurity Risks in the Use of Artificial Intelligence

All Directors have attended the course, “Environmental, Social and Governance Essentials”, organised by the Singapore Institute of Directors.

### **Talent Development and Succession Planning**

The Company has instituted a rigorous process for talent development and succession planning. It conducts an annual review of the succession plans for key senior management executives, taking into account the current needs and future strategic capabilities. An annual discussion is held by the Board to review potential successors and their corresponding career development plans.

The Board reviews the talent development framework and processes in order to build a deeper and wider bench strength and a strong talent pool. Critical jobs are identified and potential successors are groomed for key positions. Group Human Capital engages the Group CEO and the respective heads of business units to review the list of critical jobs and the potential successors annually based on current and future business needs.

### **Appointed Actuary and Certifying Actuary**

The Company has put in place a framework for the appointed actuary and certifying actuary to discharge his/her duties with independence so that the insurance business is conducted on a sound financial basis with regard to the policyholders’ reasonable expectations and the interests of policyholders and other stakeholders are taken into consideration as necessary.

The appointed actuary and certifying actuary assist the Company in:

- (a) assessing the policy on how the assets of the Company’s insurance funds are to be invested, having regard to the nature and terms of liabilities of the Company and the availability of appropriate assets for the purpose of asset-liability matching;
- (b) any risk management activity for the Company’s business, such as risk identification, risk quantification, risk management policies, controls relevant to the Company’s financial condition, and the use of any internal model for the purposes of calculating liabilities and capital requirements for the Company’s insurance products; and
- (c) matters of product pricing and development, such as identifying appropriate rating

## **GREAT EASTERN GENERAL INSURANCE LIMITED CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

factors for product pricing, the design of product features and the setting of underwriting standards.

On an annual basis, the Board will review the declarations made by the appointed actuary and certifying actuary and assess whether there are any factors that would result in a conflict of interest, or would impair his/her ability to discharge his/her duties as the appointed actuary or certifying actuary of the Company.

The Company's appointed actuary and certifying actuary meet the Board at such frequency as he/she may require and have access to the Board at all times.

### **BOARD COMPOSITION AND GUIDANCE**

**The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.**

#### **Board Membership**

The Company's present Board of five Directors are all non-executive. The Chairman of the Board is Mr Soon Tit Koon and the other non-executive Directors are Dr Chong Yoke Sin, Mr Lee Boon Ngiap, Mr Leo Mun Wai and Mr Quah Wee Ghee. Directors who stepped down from the Board of the Company in 2023 are Mr Norman Ip (16 April 2023), Mr Koh Beng Seng (21 April 2023) and Ms Mimi Ho (31 December 2023). Directors do not appoint alternate directors as a matter of practice. Key information on the Directors' qualifications, background, working experience, age, directorships and appointments are set out in the website [www.greateasternlife.com](http://www.greateasternlife.com).

All appointments and re-appointments of Directors of the Company are subject to approval by MAS.

#### **Information on Directors**

Information on Directors' interests in shares or debentures in the Company and its related corporations are disclosed in the Directors' Statement that accompanies the Company's financial statements for the year ended 31 December 2023. The Company does not grant share options to non-executive Directors of the Company. The Directors do not hold shares in the Company or the Company's subsidiaries.

#### **Board Composition and Independence**

An independent Director of the Company is one who is independent from the substantial shareholders of the Company, and management and business relationships with the Company and its subsidiaries, and has not served for more than nine years on the Board. He/She is also independent in conduct, character and judgment. Each Director is required to abstain from the Board's deliberations as to his/her own independence.

**GREAT EASTERN GENERAL INSURANCE LIMITED  
CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

The Board determines annually whether a Director is independent. The Board has determined that two of the five Directors of the Company are independent and they are Mr Lee Boon Ngiap and Mr Leo Mun Wai.

As GEG has a single substantial shareholder, GEH, which holds more than 50% of GEG, the CG Regulations only require GEG to have independent Directors make up at least one-third of its Board. The Company's Board comprises at least one-third of independent Directors. Further, the conduct of the Directors at Board and Board Committee meetings also underlie the independence in character and business judgment of each Director, providing an appropriate balance of independence and diversity of thought and background in the composition of the Board to enable it to make decisions in the interests of the Company.

Mr Lee Boon Ngiap and Mr Leo Mun Wai are non-executive Directors of The Great Eastern Life Assurance Company Limited ("GEL"), a wholly-owned subsidiary of GEH, that had business transactions or inter-company payments with the Company in the course of 2023 and/or 2022. Such business and insurance transactions were conducted in the ordinary course of business, on an arm's length basis and on normal commercial terms. The Board considers them to be independent of business relationships with the Company and its subsidiaries as they are not involved in the day-to-day conduct of these companies' businesses and is of the view that these business relationships do not affect their independent business judgment with regard to the interests of the Company. Notwithstanding their respective directorships on GEL, the Board regards them to be independent from the substantial shareholder of the Company. They are independent from management relationships with the Company and its subsidiaries.

Mr Soon Tit Koon and Dr Chong Yoke Sin are deemed non-independent as they are non-executive directors of the Company's substantial shareholder, GEH, and would be considered not to be independent from the Company's substantial shareholder. They are also directors of GEL and business transactions or inter-company payments exist between the Company and each of GEH and GEL. Such business transactions were conducted in the ordinary course of business, on an arm's length basis and on normal commercial terms, and they would be substantially removed from the actual business transactions between the entities. The Board is of the view that such business relationships do not affect their independent business judgment with regard to the interests of the Company and they are independent from management and business relationships with the Company and its subsidiaries.

Mr Quah Wee Ghee is deemed non-independent as he has served for more than nine years on the Board. He is also a non-executive Director of GEL and business transactions and inter-company payments exist between the Company and GEL. Such transactions were conducted in the ordinary course of business, on an arm's length basis and on normal commercial terms, and he would be substantially removed from the actual business transactions between the entities. The Board is of the view that such business relationships do not affect his independent business judgement with regard to the interests of the Company and he is independent from business relationships with the Company and its subsidiaries. Notwithstanding his directorship on GEG, the Board considers him to be independent from the substantial shareholder of the Company. He is independent from management relationships with the Company and its subsidiaries.

## **GREAT EASTERN GENERAL INSURANCE LIMITED CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

The Board is of the view that the current Board and Board Committees are of an appropriate size to facilitate effective decision-making, taking into account the scope and nature of the operations of the Company.

A Board Diversity Policy, setting out the approach to diversity on the appointment of members and composition of the Board, is published on the website [www.greasternlife.com](http://www.greasternlife.com). In the appointment of Directors, the policy embraces the diversity of skills, knowledge, experience including familiarity in the Company's core markets, age, gender and length of service, as well as merit and independence. The Board annually assesses the gender representation on the Board as well as its members' competency profiles, and determines the collective skills required for the Board and the Board Committees to discharge their responsibilities effectively. The same factors are taken into consideration in respect of the re-appointment of Directors.

The Company's Directors have diverse backgrounds, experience and qualifications, and bring a wide range of commercial and financial experience to the Board. Collectively, they provide the necessary business acumen, knowledge, capabilities and core competencies to the Company, including industry knowledge in insurance (such as key products and customers), investment and asset management (including real estate and property), banking (including key products and customers), accounting, finance, strategy formulation, business acumen, management experience, regulatory requirements, risk management, law, cyber risk, ESG and sustainability and artificial intelligence. Several Directors also have experience in jurisdictions outside Singapore, such as Malaysia, Indonesia and Greater China. At least one of the Directors has experience in the insurance industry. The diversity of experience and competencies of the Directors enhance the effectiveness of the Board in discharging its responsibilities. Female representation on the Board is currently 20%.

The Company's Directors have a sound understanding of the business strategy, nature of the business activities of the Company and their associated risks. With the knowledge, objectivity and balance contributed by its members, the Board constructively challenges and enhances proposals on strategy, reviews the performance of Management against agreed goals and objectives, and monitors the reporting of performances.

The non-executive Directors met twice during the year without the presence of Management to discuss matters including, but not limited to the performance and effectiveness of Management.

### **CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

**There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.**

The Chairman and the Group CEO are not related to each other. The roles of the Chairman, Mr Soon Tit Koon, and the Group CEO, Mr Khor Hock Seng<sup>1</sup>, are distinct and separate, with a clear division of responsibilities between them to ensure an appropriate balance of power, increased accountability and greater independence in decision-making. The Company has

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<sup>1</sup> Mr Khor Hock Seng is also the Group CEO of GEH and GEL.

## **GREAT EASTERN GENERAL INSURANCE LIMITED CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

Board-approved internal guidelines setting out the scope of authority of the Chairman and the Group CEO.

The principal responsibilities of the Chairman include leading the Board to ensure it effectively discharges its roles and responsibilities, approving agendas of Board meetings, monitoring the quality and timeliness of the flow of information from Management to the Board and promoting effective communication with the shareholder. The Chairman also facilitates robust and open discussions and deliberations in Board meetings and effective contribution by all members of the Board, encourages constructive relations within the Board and between the Board and Management, and promotes high standards of corporate governance with the full support of the other Directors, the Company Secretary and Management.

The Group CEO manages the Company and oversees the Company's operations and implementation of the Company's strategies, plans and policies to achieve planned corporate performance and financial goals. His management of the Company's businesses, including implementing the Board's decisions, is carried out with the assistance of the senior management executives of the Company. Collectively, they are responsible for the day-to-day operations and administration of the Company, ensuring, *inter alia*, operational and organisational efficiency, profitable performance of the operating units, regulatory compliance, good corporate governance and effective risk management. The Board establishes the performance targets of the Group CEO and reviews his performance against the targets annually.

The Board has not appointed a Lead Independent Director as the Chairman and the Group CEO are already separate persons, are not related to each other and the Chairman is not involved in the day-to-day running of the Company's business and operations. The Chairman is independent from management and business relationships with the Company and its subsidiaries. He is also independent of the Management and performs an effective check and balance on the Management. All Directors are non-executive Directors. The Directors are able to exercise independent and objective judgement. There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making. As part of its continuous assessment of corporate governance standards, the Board will appoint a Lead Independent Director when the Board situation warrants it.

### **BOARD MEMBERSHIP**

**The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.**

The Company does not have a Nominating Committee. The Company's present Board takes on the functions of a Nominating Committee.

The Board reviews the Board and Board Committee compositions annually and ensures that there is progressive renewal of the Board. The Company has established a framework to

## **GREAT EASTERN GENERAL INSURANCE LIMITED CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

identify the skills and competencies that the Board collectively needs in order to discharge the Board's responsibilities effectively, taking into account the complexity of the Company's business operations, risk profile, regulatory and operating environment and future business strategy. This ensures that the Board and the respective Board Committees have the relevant skills to discharge their responsibilities effectively.

The Board is responsible for identifying candidates, reviewing and approving nominations and/or re-nominations of Directors on the Board and Board Committees as well as reviewing the reasons for resignation of Directors. It also approves appointments and dismissals, and reviews the reasons for resignations of senior management positions in the Company, including the Group CEO, Group CFO, Group CRO and relevant senior management staff. In addition, the Board ensures there are adequate policies and procedures relating to the engagement, dismissal and succession of senior management.

The Board reviews and assesses the state and implementation of the Company's ethics, culture and conduct programs and initiatives, including matters relating to fair dealing with customers, having regard to applicable requirements and regulations, guidelines and best practices.

### **Process for appointment of new Directors**

The Board has a key role in carrying out the formal and transparent process established for the appointment of Directors to the Board. Taking into account the competencies and skills required by the Board, the Board establishes annually the profile required of the Directors, before appointing new Directors, where necessary. The Board may engage external search consultants to source for potential candidates. Proposals for the appointment of new Directors are reviewed by the Board. The Board meets with shortlisted candidates to assess their suitability and commitment. Competent individuals are assessed on their suitability taking into consideration, amongst others, their professional qualifications, integrity, prior experience as a director, other directorships and principal commitments, relationships (if any) with other members of the Board, the Company or the substantial shareholder of the Company, financial and commercial business experience and field of expertise relevant to the Company, potential to contribute to the effectiveness of the Board and how such proposed candidates would complement the skills, knowledge and expertise of the Board.

In addition, the Board further determines the proposed candidate's independence and ensures that the proposed candidate would satisfy the criteria under the applicable requirements so that his/her appointment would not result in non-compliance with any of the composition requirements for the Board and Board Committees, and that he/she is a fit and proper person for the office, taking into account his/her track record, age, experience, capabilities, skills and other relevant factors as may be determined by the Board. Such reviews are also conducted on an annual basis to ensure that each Director remains qualified for the office based on the above criteria.

## **GREAT EASTERN GENERAL INSURANCE LIMITED CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

### **Re-nomination and Re-election of Directors**

All Directors of the Board are required to submit themselves for re-nomination and re-election at regular intervals, at least once every three years. At each Annual General Meeting (“AGM”) of the Company, one-third of the Directors, being those who have served longest in office since their re-election, are required to retire by rotation in accordance with the Company’s Constitution. Pursuant to the Company’s Constitution, newly appointed Directors will hold office until the next AGM, and if eligible, can stand for re-election. Retiring Directors are eligible for re-election when re-nominated by the Board, taking into account (other than relevant factors as already mentioned above as to the appointment of new Directors) the Directors’ attendance at meetings, their expertise, knowledge and commitment, and their contributions to Board discussions and to the effectiveness of the Board.

The Directors who are retiring by rotation under Article 94 of the Company’s Constitution and eligible for re-election at the 2024 AGM are Mr Lee Boon Ngap and Mr Quah Wee Ghee.

Directors are expected to set aside adequate time for their oversight of matters relating to the Company. The Directors provide declaration of changes in their other appointments which are disseminated to all Directors. The Company has established guidelines on meeting attendance and the extent of other appointments outside the Company that a Director may assume. Generally, a Director who has full-time employment in any organisation may have appointments in no more than three other listed companies, while a Director who does not have any full-time employment may have appointments in no more than six other listed companies. The Board annually assesses each Director’s attendance record and degree of participation at meetings to determine if a Director is able to and has been diligently discharging his/her duties as a Director of the Company. All Directors have met the requirements under the Board’s guidelines.

### **BOARD PERFORMANCE**

**The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.**

The Board has an annual performance evaluation process to assess the effectiveness of the Board, Board Committees and each Director’s contributions. This annual assessment process consists principally of evaluation by and feedback from each Director. Each Director evaluates the performance of the Board and Board Committees. The assessment of the contributions of individual Directors to the effectiveness of the Board is also performed annually. Such assessments are made against established performance criteria consistent with those approved by the Board and used in the previous year. A Director will recuse himself/herself when the Board deliberates upon his/her performance to avoid conflicts of interest.

The Board evaluation questionnaire focused on areas such as competency and independence, information quality and timeliness, conduct of meetings, sustainability and corporate social responsibility, managing the Company’s performance, succession planning, Directors’ development, internal controls and risk management, culture and conduct and

## **GREAT EASTERN GENERAL INSURANCE LIMITED CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

Board Committees. With regard to the individual Director's assessment criteria, this would include attributes such as each Director's contribution, integrity, knowledge and abilities. The Board Chairman will act upon the feedback provided to enhance the Board's and Board Committees' performance.

The purpose of the evaluation is to increase the overall effectiveness of the Board and the Board Committees. The Board has found the evaluation process useful and constructive. This collective process has also provided an opportunity to obtain insightful feedback from each Director on suggestions to enhance the effectiveness of the Board and the Board Committees.

### **REMUNERATION MATTERS PROCEDURES FOR DEVELOPING REMUNERATION POLICIES**

**The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individuals and key management personnel. No director is involved in deciding his or her own remuneration.**

The Company does not have a Remuneration Committee. The Company's present Board takes on the functions of a Remuneration Committee.

Such functions include:

- (1) approving a framework of Directors' fees and senior management executives' remuneration, as well as the remuneration of executive Directors and senior management executives based on such framework. For executive Directors and senior management executives, the Board considers all aspects of remuneration including salaries, allowances, bonuses, share options and other incentives, benefits and termination terms, to ensure they are fair. For employees in control job functions, the Board considers their performance and remuneration independently of the business functions, and their performance measures are determined in accordance with the roles, so as not to compromise their independence; and
- (2) ensuring that the Company's remuneration policies and practices are aligned with the approved framework and that remuneration packages are appropriate to attract, retain and motivate the executive Directors to provide good stewardship of the Company and senior management executives to successfully manage the Company for the long term without being excessive.

The objective of the Company's remuneration policy is to attract, motivate, reward and retain quality personnel.

In considering and approving remuneration, the Board ensures that the remuneration policies are in line with relevant regulations and guidelines, the strategic objectives of the Company, as well as the Company's Code of Conduct and ethics, and do not give rise to conflicts between the objectives of the Company and interests of individual Directors and employees.

**GREAT EASTERN GENERAL INSURANCE LIMITED  
CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

Remuneration is aligned to specific job functions undertaken and where the employee undertakes any control job functions, the performance and remuneration package of that employee is determined independently of the business functions of the Company, and is further aligned with the risks that the Company undertakes in its operations that is relevant to the specific job function. The Board also considers inputs from relevant control job functions on performance evaluation and remuneration outcomes, and seeks input from the Risk Management Committee and Audit Committee to ensure that remuneration practices do not create incentives for excessive or inappropriate risk-taking behaviour. No Director is involved in the deliberations regarding any remuneration, compensation of the form of benefits to be granted to himself/herself.

The Board oversees the design of remuneration policies and pays sustained attention to the implementation of the remuneration policies that cover all employees of the Company to ensure that the policies operate as intended, with particular attention to key senior management executives and other employees whose actions may have a material impact on the risk exposure of the Company.

The Board ensures that senior management exercise active oversight and monitor the implementation and effectiveness of the remuneration policies, reviewing remuneration outcomes, risk measurements and risk outcomes regularly for consistency with the intentions of the remuneration policies.

The Directors are well-versed in executive compensation matters, given their extensive experience in senior corporate positions and major appointments. They also have access to expert advice from external independent remuneration consultants, where necessary. The Board will 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.

The Board ensures that an annual review, either internally conducted or externally commissioned, is conducted independently of management to ensure that they are aligned with the recommendations made in accordance with the remuneration frameworks and remuneration packages for Directors and key senior management executives and to assess the compliance of the Company's remuneration policies with any relevant regulations and guidelines issued by MAS.

In 2023, Willis Towers Watson Consulting (Singapore) Pte Ltd ("Willis Towers Watson") provided independent advisory services on the Great Eastern Group's executive compensation framework to ensure greater alignment of pay policies and practices with market and to assess the compliance of the Company's remuneration policies with any relevant regulations and guidelines issued by MAS. Willis Towers Watson is not related to the Company and the Company is not aware of any business or personal relationships between Willis Towers Watson and any of the Company's Directors and key senior management executives.

The Company does not provide any termination, retirement and post-employment benefits to its key management personnel.

**GREAT EASTERN GENERAL INSURANCE LIMITED  
CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

**LEVEL AND MIX OF REMUNERATION**

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

**Remuneration of non-executive Directors**

The non-executive Directors are paid Directors' fees, which take into account factors such as the Directors' contributions, effort and time spent, attendance at meetings and the frequency of meetings, the respective responsibilities of the Directors including the Board Committees on which they serve, market practices and the need to pay competitive fees to attract, retain and motivate Directors.

The Board performs an annual review of the structure for Directors' fees and of the computation of the aggregate Directors' fees based on the earlier Board-approved fee structure. The Directors' fees proposed by the Board each year are subject to the shareholder's approval at the Company's AGM.

In its review of the non-executive Directors' remuneration, the Board can seek expert advice, if necessary.

In 2023, taking into consideration a variety of factors including prevailing market practices, comparable benchmarks as well as the roles and responsibilities of the Board and Board Committees, and that there had been no change in the Company's non-executive Directors' fee structure since the financial year ended 31 December 2011, the Board approved the revised non-executive Directors' fee structure.

In view that the scale and complexity of the Company's businesses had increased considerably along with the stringent regulatory requirements and fiduciary oversight required of the Directors, the Board decided to adopt the revised non-executive Directors' fee structure and apply that in the calculation of the fee for each non-executive Director for FY2023. The revised non-executive Directors' fee structure is intended to fairly compensate its non-executive Directors, taking into consideration their skills, contributions, time commitment and responsibilities which their roles entail. The revised non-executive Directors' fee structure is set out in the table below:

		<b>Annual retainer (\$)</b>
<b>Board</b>	Chairman	44,000
	Member	7,000
<b>Board Committees</b>	<u>Chairman:</u>	
	• Audit Committee	6,000
	• Risk Management Committee	6,000
	• Sustainability Committee	3,000
	<u>Member:</u>	
• Audit Committee	3,000	
• Risk Management Committee	3,000	
• Sustainability Committee	1,500	
<b>Attendance fees per Board and Board Committee meeting</b>		3,000
<b>Observer fees per meeting</b>		3,000

## **GREAT EASTERN GENERAL INSURANCE LIMITED CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

Attendance fees are paid to non-executive Directors to recognise their contributions and time spent in attending meetings.

### **Remuneration policy in respect of Key Senior Management Executives**

The remuneration of the Group CEO and the key senior management executives who report directly to the Group CEO are reviewed annually by the Board based on the overall remuneration framework approved by the Board.

In such annual reviews, the Board takes into consideration factors such as market competitiveness and market benchmark, and that the remuneration is commensurate with specific job function undertaken, individual performance and contribution and the overall performance of the organisation. The Board also takes into account the time horizon of risks that the organisation is exposed to, including ensuring that all variable compensation payments shall not be fully drawdown over short periods when risks are realised over longer periods.

As part of the Company's continuous efforts to create sustainable value for stakeholders through broad-based growth across its core markets, delivering sustained earnings, driving core competencies of disciplined risk management, prudent investment and continued upgrading of technology and people, and ensuring sustainable business practices, the performance measures set for each business unit embeds these objectives, which match their functions and are consistent with the Company's risk appetite. In determining the remuneration of key senior management executives, risk and control indicators as well as audit findings and compliance issues are taken into account when assessing their overall performance, in addition to their achievement in business and operational performance. Executives are remunerated based on the achievements of their own performance measures which are in turn determined in accordance with their roles, and the demonstration of core values and competencies, while taking into account market compensation data for their respective job roles.

### **DISCLOSURE OF REMUNERATION**

**The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.**

To ensure that its remuneration packages are competitive, the Company regularly reviews salary levels and benefits packages based on market data provided by recognised consultants who conduct surveys on comparative groups in the financial sector. The determination of the Company's variable bonus pool is fully discretionary and the factors taken into consideration include financial and non-financial metrics such as the Company's performance, audit ratings, risk indicators and compliance issues, market conditions and competitive market practices.

The total compensation packages for key senior management executives comprise basic salary, variable performance bonus, allowances, deferred share awards and benefits. The variable components have been designed to link rewards to corporate and individual

**GREAT EASTERN GENERAL INSURANCE LIMITED**  
**CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

performance, based on appropriate and meaningful performance measures set up by the Company, and approved by the Board.

The annual budget for salary increment and performance-related variable bonus is approved by the Board.

As a consequence of the financial crisis in recent years, financial institutions globally have been reviewing compensation practices to reduce incentives that encourage excessive risk taking. While the Company has adopted compensation practices that take into account the principles and implementation standards issued by the Financial Stability Forum for Sound Compensation Practices, it also continues to review its compensation practices on an on-going basis to further ensure that decisions made are conducive for sustained business performance. In its deliberations, the Board also takes into account both financial and non-financial factors that are consistent with the long-term objectives and financial soundness of the Company, the remuneration principles, practices and standards that may be specified by regulations and guidelines issued by MAS from time to time.

The Company has adopted a framework to foster a strong environment of culture and conduct within the Company. The Employee Culture & Conduct Indicators (“ECCI”) framework was introduced to enhance employees’ risk awareness and inculcate better risk management behaviours. Under this structured methodology based on clear and measurable conduct indicators, each employee is assessed against the prescribed ECCI before remuneration decisions are finalised and awarded for the year. When determining the amount of remuneration to be adjusted, all relevant indicators of the severity of the incident or misconduct would be taken into account. The ECCI framework and the approach in which risk indicators are embedded in performance management and rewards are clearly set out in the staff handbook and communicated to employees.

The Company has identified a group of senior executives whose authorities and actions are deemed to have a major influence on the long term performance of the Company. This group, identified as “Material Risk Takers” comprises the Group CEO and his direct reports, key personnel at business units and senior control staff. Employees who are not senior staff but are identified as “Material Risk Takers” are also included in this group. The Company has a well-defined risk governance framework for “Material Risk Takers” including appropriate incentive arrangement that is aligned with Financial Stability Board’s standards. The Company has engaged Willis Towers Watson, a human resource consultant, to enhance the “Material Risk Takers” identification framework. For the “Material Risk Takers” in Singapore with performance bonuses exceeding \$100,000, 40% of their entire bonuses are deferred in the form of shares and subject to vesting over a period of three years, to account for the time horizon of risks that the Company is exposed to.

The Company does not pay guaranteed bonuses for all employees. Cash bonuses are subject to clawback within six years of payment.

**GREAT EASTERN GENERAL INSURANCE LIMITED**  
**CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

**Share-based incentives**

The Company does not have any share option scheme or share plan in place. Instead, the Company's ultimate holding company, Oversea-Chinese Banking Corporation Limited ("OCBC"), grants share awards pursuant to the OCBC Deferred Share Plan ("DSP") to selected senior executives of the Company, based on recommendations of the Board. The Company has ceased granting OCBC share options to eligible executives with effect from 2019.

Details of the share options (granted previously) and the awards of deferred shares to the Company's eligible executives are disclosed in the Company's financial statements. Further details of the share option scheme and deferred share plan of OCBC are set out in the Company's financial statements and in OCBC's Annual Report.

All grants and awards are subject to cancellation and clawback if it is determined that they were made on the basis of materially inaccurate financial statements and/or the employee has engaged in conduct that results in financial loss, reputational harm, restatement of financial results and/or adverse changes of the Company's risk profile/rating, which takes into consideration the risks that could have a long-term negative impact on the Company.

**Disclosure on Directors' and the Group CEO's remuneration**

The remuneration of each individual Director and Group CEO in respect of FY2023 is shown in the table below. Non-executive Directors will be paid Directors' fees totalling \$140,468 in respect of FY2023, subject to the shareholder's approval at the 2024 AGM. For the financial year ended 31 December 2022, non-executive Directors were paid Directors' fees totalling \$113,650. The increase in Directors' fees for FY2023 is mainly attributable to the increase in the retainer fees for the Chairman and non-executive Directors, and the increase in the number of meetings held during FY2023.

**Directors' and Group CEO's remuneration for FY2023**

<b>Name of Director</b>	<b>Total Remuneration (GEG group) \$'000</b>	<b>Directors' Fees (GEG) \$'000</b>	<b>Directors' Fees (GEG Subsidiaries) \$'000</b>	<b>Salary \$'000</b>	<b>Bonuses<sup>(1)</sup> \$'000</b>	<b>Long-term incentives<sup>(2)</sup> \$'000</b>	<b>Benefits-in-kind<sup>(3)</sup> \$'000</b>
Soon Tit Koon <sup>(4)</sup>	36	36	-	-	-	-	-
Koh Beng Seng <sup>(5)</sup>	17	17	-	-	-	-	-
Chong Yoke Sin <sup>(6)</sup>	-	-	-	-	-	-	-
Mimi Ho <sup>(7)</sup>	79	21	58	-	-	-	-
Norman Ip <sup>(8)</sup>	45	4	41	-	-	-	-
Lee Boon Ngiap	19	19	-	-	-	-	-
Leo Mun Wai	26	26	-	-	-	-	-
Quah Wee Ghee	18	18	-	-	-	-	-
<b>Group CEO</b>							
Khor Hock Seng <sup>(9)</sup>	4,667	-	-	1,100	1,740	1,373	454

Notes:

<sup>(1)</sup> Represents variable bonus in respect of performance for FY2023. The bonus in respect of the Group CEO's performance for the financial year ended 31 December 2022 was \$1,815,000.

## **GREAT EASTERN GENERAL INSURANCE LIMITED CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

- (2) Represents the value of the award of deferred shares under the OCBC DSP and any dividend adjustments made during the financial year being reported on. The value of the award of the deferred shares under the OCBC DSP for the Group CEO's performance for the financial year ended 31 December 2022 and dividend adjustments made during that financial year was \$1,361,000.
- (3) Represents non-cash component and comprises housing allowance, car, club, insurance benefits and employer's contribution to the Central Provident Fund.
- (4) Mr Soon Tit Koon was appointed as the Board Chairman on 22 April 2023.
- (5) Mr Koh Beng Seng stepped down as the Board Chairman on 21 April 2023.
- (6) Dr Chong Yoke Sin was appointed as a Director on 22 January 2024.
- (7) Ms Mimi Ho stepped down as a Director on 31 December 2023. Ms Mimi Ho received Director's fees for her board service in respect of GEG's subsidiaries in Malaysia.
- (8) Mr Norman Ip stepped down as a Director on 16 April 2023. Mr Norman Ip received Director's fees for his board service in respect of GEG's subsidiaries in Malaysia.
- (9) This is the same remuneration information as disclosed in the Annual Report of GEH for FY2023.

### **Remuneration of Top Five Key Management Personnel in 2023**

The MAS CG Guidelines recommends the disclosure of the individual remuneration of the Company's top five key senior management executives as well as their aggregate remuneration. The Board considered this matter carefully and has decided against such disclosure for the time being as it is not a standard business practice to do so, having taken into account the highly competitive conditions for talent in the industry.

### **Remuneration of Immediate Family of Directors / Group CEO / Substantial Shareholder**

None of the Directors or the Group CEO of the Company had immediate family members who were employees of the Company in 2023. As the Company's substantial shareholder, GEH, is not an individual, the requirement as to disclosure of the remuneration of employees who are immediate family of substantial shareholders is not applicable.

## **ACCOUNTABILITY AND AUDIT RISK MANAGEMENT AND INTERNAL CONTROLS**

**The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.**

The Board is responsible for the governance of risk. It sets the tone for the Company's risk culture and monitors, through the Risk Management Committee, the effectiveness and adequacy of the risk management processes and systems of the Company and its principal subsidiaries. The Board approves the Company's risk appetite and has oversight of the risk activities to ensure that the Company's strategic intent, operating environment, internal control mechanisms and capital sufficiency are consistent with the Company's risk appetite and regulatory standards.

The Board of Directors emphasises the importance of institutionalising a strong risk culture within the Company. As a subset of the broader organisational culture, a strong risk culture supports appropriate risk awareness, bolsters effective risk management and promotes sound risk taking to ensure the Company's risk profile remains within its risk appetite. The Board also approves the risk culture principles and, along with it, the set of desired behaviours to support the target risk culture throughout the Company.

**GREAT EASTERN GENERAL INSURANCE LIMITED**  
**CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

**Accountability**

The Company has in place a process for Management to represent to the Board on the integrity of the Company's financial statements and internal control systems.

The Board is kept apprised of material changes in legislation and regulatory requirements. The Board takes necessary steps to ensure that the Company complies with these requirements. The Board and Management also observe the Guidelines on Risk Management Practices and the Guidelines on Individual Accountability and Conduct issued by MAS.

To keep Directors informed and updated, Management provides the Board with monthly financial updates on the performance and position of the Company. The Board is also updated on financial and non-financial risks which the Company is or may be exposed to and any significant events that have occurred or affected the industry during the year.

**Internal Controls**

The Board is responsible for ensuring that the Company's internal controls are adequate to safeguard the shareholder's interests and the Company's assets. Self-assessment processes are in place for all business units to assess the adequacy and effectiveness of their internal controls, and level of compliance with applicable rules and regulations. The results of evaluations are reviewed by senior management. The Board has received assurance from the Group CEO and key management personnel who are responsible regarding the adequacy and effectiveness of the Company's risk management and internal control systems. The Board has also received assurance from the Group CEO and Group CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances.

Based on the established internal controls, work performed by the internal and external auditors, and reviews performed by Management and various Board Committees, the Board, with the concurrence of the Audit and Risk Management Committees, is of the view that the system of internal controls, including financial, operational, compliance and information technology controls and risk management policies and systems, was adequate and effective as at 31 December 2023, to address the risks which the Group considers relevant and material to its operations.

The system of internal controls provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.

**GREAT EASTERN GENERAL INSURANCE LIMITED  
CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

**AUDIT COMMITTEE**

**The Board has an Audit Committee which discharges its duties objectively.**

The composition of the Audit Committee is provided under the heading “Audit Committee” on page 5 of this Report. The Audit Committee adopts, where appropriate, relevant best practices set out in the Guidebook for Audit Committees in Singapore.

The responsibilities of the Audit Committee are set out in its Board-approved terms of reference. The functions performed by the Audit Committee and details of the Audit Committee’s activities during FY2023 included the following:

1. Reviewed with the internal auditors:
  - 1.1 their audit plans, evaluation of the system of internal controls and audit reports;
  - 1.2 the scope and results of internal audits; and
  - 1.3 the assistance given by the officers of the Company to the auditors.
2. Reviewed with the external auditor:
  - 2.1 the audited financial statements of the Company for the financial year which are prepared in accordance with the SFRS(I) and SFRS(I) Interpretations, for submission to the Board for consideration and approval thereafter;
  - 2.2 their scope and overall audit procedures and cost effectiveness, and their independence and objectivity taking into consideration factors including the nature and extent of non-audit services provided by them;
  - 2.3 the implications and impact on the financial statements of proposed implementation of new financial reporting standards and any changes in accounting policies and regulatory requirements; and
  - 2.4 any significant financial reporting issues, to ensure the integrity of the financial statements of the Company.
3. Reviewed the draft financial statements with Management, including discussion on the accounting policies applied and significant judgements affecting the financial statements. There were no key audit matters highlighted in the Independent Auditor’s Report.
4. Reviewed the findings of internal and external auditors on their reviews of the adequacy and effectiveness of the internal controls and risk management systems of the Company, including financial, operational, compliance and information technology controls and systems established by Management.

**GREAT EASTERN GENERAL INSURANCE LIMITED  
CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

5. Reviewed the assurance from the Group CEO and Group CFO on the financial records and financial statements.
6. Assessed the adequacy and effectiveness of the internal audit functions of the Company.
7. Assessed the independence of external and internal auditors.
8. Made recommendations to the Board on the re-appointment of the external auditor and approved the remuneration and terms of engagement of the external auditor.
9. Reviewed material related party transactions and the write-off of material related party transactions, and recommended the same to the Board for approval.

The Audit Committee undertook a review of all relationships between the Great Eastern Group and the external auditor (including non-audit services provided by the external auditor) for FY2023, and is satisfied that the provision of such non-audit services would not, in its opinion, affect the independence of the external auditor. Please refer to the Company's financial statements for details of fees payable to the external auditor in respect of audit and non-audit services.

Taking into account the aforesaid and other factors such as the size and complexity of the Company and the adequacy of resources and experience of the external auditor, the Audit Committee has recommended the re-appointment of PwC as the external auditor at the 2024 AGM.

The Audit Committee, in performing its functions, met at least annually with the internal and external auditors in separate sessions without the presence of Management, to consider any other matters which may be raised privately. The auditors, both internal and external, have unrestricted access to the Audit Committee, and to information and such persons within the Company as necessary to conduct the audit.

### **Whistle-Blowing Policy**

The Company has a whistle-blowing policy in place whereby staff of the Company and external parties may raise concerns on possible improprieties in matters of financial reporting or other matters in confidence. The whistle-blowing policy and procedures for raising such concerns are disclosed and clearly communicated to employees. All whistle-blowing incidents will be reported to the Audit Committee. Concerns expressed anonymously will be considered and investigated on the basis of their merits. The Audit Committee ensures that arrangements are in place for the independent investigation of such matters and for appropriate follow-up action. If fraud is determined, appropriate remedial action will be taken and the Audit Committee updated regularly on its status. The whistle-blower will have protection against reprisals provided he/she has acted in good faith.

The Great Eastern Group's internal audit function ("Group Internal Audit") is the independent function which is responsible for reviewing and investigating all whistle-blowing reports

## **GREAT EASTERN GENERAL INSURANCE LIMITED CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

received. Group Internal Audit will make a preliminary assessment of the whistle-blowing report and decide whether to conduct an independent investigation, in consultation with the Audit Committee Chairman. If a report concerns Group Internal Audit, the report is escalated to the Audit Committee Chairman, or the Group CEO, the Board of Directors, regulators or law enforcement agencies.

### **Internal Audit**

Group Internal Audit serves to provide the Board and Management with an independent appraisal of the reliability, adequacy and effectiveness of the system of internal controls established by Management, to ensure that transactions are promptly and accurately recorded and that the Company's assets are safeguarded. Group Internal Audit resides in-house and is independent of the activities it audits. The Audit Manual and Audit Frequency Matrix are approved by the Audit Committee.

Group Internal Audit adopts a risk-based approach where audit work is prioritised and scoped according to an assessment of risk exposures, including not only financial risks, but operational, technology, compliance and strategic risks as well. The work undertaken by Group Internal Audit involves the assessment of the reliability, adequacy and effectiveness of the Company's risk management and internal control framework, including conducting regular assessments of the internal audit function and audit systems and incorporating needed improvements, ascertaining if the internal controls are sufficient in ensuring prompt and accurate recording of transactions and the adequate safeguarding of assets. Reviews conducted by Group Internal Audit also focus on the Company's compliance with relevant laws and regulations, adherence to established policies and processes and whether Management has taken appropriate measures to address control deficiencies.

The Group Chief Internal Auditor reports to the Chairman of the Audit Committee and administratively to the Group CEO. His annual remuneration, evaluation, appointment, termination and succession are approved by the Audit Committee, and reasons for his resignation or dismissal would be discussed with MAS.

Group Internal Audit is staffed by executives with the relevant qualifications and experience, and the Audit Committee ensures that Group Internal Audit is adequately resourced. Group Internal Audit has unfettered access to the Board, the Audit Committee and senior management executives, where necessary, and has the right to seek information and explanation as well as access to all of the Company's documents, records, properties and personnel. Group Internal Audit meets or exceeds the International Standards for the Professional Practice of Internal Auditing of The Institute of Internal Auditors.

Group Internal Audit reports to the Audit Committee its annual or periodic plan and the proposed areas of audit focus, factors that may adversely affect the Group Internal Audit's independence, objectivity or effectiveness and material findings from audits conducted. During the year, Group Internal Audit carried out audits on selected significant business units in the Company, including an audit review of the IT systems. Group Internal Audit's summary of major findings and recommendations and Management's related responses were discussed

## **GREAT EASTERN GENERAL INSURANCE LIMITED CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

at Audit Committee meetings. The Audit Committee ensures that procedures are in place to follow up on the recommendations by Group Internal Audit in a timely manner and to closely monitor any outstanding issues. From its review of the internal audit function for FY2023, the Audit Committee is of the view that the internal audit function is independent, effective and adequately resourced.

### **SHAREHOLDER RIGHTS AND ENGAGEMENT**

#### **Shareholder Rights and Conduct of General Meetings**

**The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.**

The Board is responsible for the provision of a balanced and understandable assessment of the performance, position and prospects of the Company, including financial statements and other reports.

The financial statements of the Company for the full year, together with a balanced view of the Company's performance, position and prospects are provided to its shareholder, GEH.

#### **Communication with Shareholders**

For the Company's AGMs, separate resolutions are set out on distinct issues, such as the proposed re-election of Directors, proposed Directors' fees and recommendation of final dividend. Where an extraordinary general meeting ("EGM") is convened by the Company, the proposed corporate action or transaction, as applicable, and the rationale and other pertinent details for such proposal are set out in the notice of EGM, with the proposed resolution set out for approval by the shareholder at the EGM. The Company does not "bundle" resolutions, unless the resolutions are interdependent and linked so as to form one significant proposal. The Company Secretary prepares minutes of general meetings.

#### **Dividend Policy**

The Company is committed to maintaining a sustainable dividend policy that will enhance long-term shareholder value. In determining the dividend payout, the Board will take into consideration the Company's financial position, business expansion plans, market conditions and capital requirements.

### **ENGAGEMENT WITH SHAREHOLDERS**

**The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.**

## **GREAT EASTERN GENERAL INSURANCE LIMITED CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

The Company recognises that regular, effective, timely and fair communication with its shareholder, GEH, is essential to enable the shareholder to make informed decisions about the Company. The Company ensures that timely and adequate disclosures of material information on the Company are available to its shareholder, including periodic financial results with balanced and comprehensive assessments of the performance and position of the Company.

The shareholder and public can access the website [www.greateasternlife.com](http://www.greateasternlife.com) for the latest media releases, financial results and other corporate information on the Great Eastern Group. Great Eastern's vision and mission statements can also be found in the Company's website. One of the key roles of the Great Eastern Group's Corporate Communications and Investor Relations Departments is to keep the market apprised of the Great Eastern Group's major corporate developments and financial performance through regular media releases, briefings and meetings with the media, analysts and fund managers.

### **MANAGING STAKEHOLDER RELATIONSHIPS**

#### **Engagement With Stakeholders**

**The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.**

The Company recognises the importance of maintaining positive stakeholder relationships, and adopts an inclusive approach in the management and engagement of its stakeholders - namely customers, policyholders, suppliers, regulators, investors, employees, financial representatives and community partners. The Sustainability Report which is available at the website [www.greateasternlife.com](http://www.greateasternlife.com) sets out the Great Eastern Group's approach to stakeholder engagement on sustainability matters including key areas of focus and how it responds to stakeholder concerns.

The Company maintains a website, [www.greateasterngeneral.com](http://www.greateasterngeneral.com), to communicate and engage with its customers. Stakeholders may also access the website [www.greateasternlife.com](http://www.greateasternlife.com) for other information relating to the Company.

### **RELATED PARTY TRANSACTIONS**

The Company has implemented policies and procedures on related party transactions covering the definitions of relatedness, limits applied, terms of transactions, and the authorities and procedures for approving, monitoring and, where necessary, writing off such transactions. All related party transactions are conducted on normal commercial terms and in the ordinary course of business and such transactions are carried out on an arm's length basis. Directors with conflicts of interest are excluded from the approval process of granting and managing related party transactions. Material related party transactions and the write-off of material related party transactions are reported to the Audit Committee for review and to the Board for approval. Details of the Company's related party transactions during FY2023 are set out in the financial statements.

**GREAT EASTERN GENERAL INSURANCE LIMITED  
CORPORATE GOVERNANCE REPORT (as at 1 April 2024)**

**ETHICAL STANDARDS AND CONDUCT**

The Directors and Management are committed to promoting and maintaining values which emphasise integrity, honesty and proper conduct at all times in the business operations and dealings of the Company. The Company has adopted a Code of Conduct that sets out the guiding principles and minimum standards expected of its employees such as the highest standards of conduct and professional integrity. The Code of Conduct also provides guidance on areas such as responsible stewardship of the Company's resources, the Company's position against fraudulent conduct, conflicts of interests and the appropriate disclosures to be made, and maintaining confidentiality of information. The Code of Conduct is available on the Company's staff intranet. The Group Human Capital Department provides an annual attestation to the Audit Committee that the Code of Conduct has been properly disseminated to all staff.

The Company has a suite of policies in place for proper governance and management that staff have to comply with. All policies are prepared in accordance with the Company's risk management and internal control systems and processes, including Management's self-assessment and independent audits.

The Company treats feedback and complaints from its customers seriously and has instituted channels whereby customers may provide feedback or complaints. The Company aims to resolve feedback and complaints professionally and fairly in accordance with the service standards indicated on [www.greasternlife.com](http://www.greasternlife.com).

**GREAT EASTERN GENERAL INSURANCE LIMITED**

(Incorporated in Singapore)  
(Company Registration No. 192000003W)

**CORPORATE INFORMATION**

(as at 1 April 2024)

**BOARD OF DIRECTORS**

Soon Tit Koon, Chairman  
Chong Yoke Sin  
Lee Boon Ngiap  
Leo Mun Wai  
Quah Wee Ghee

**AUDIT COMMITTEE**

Leo Mun Wai, Chairman  
Chong Yoke Sin  
Lee Boon Ngiap

**RISK MANAGEMENT COMMITTEE**

Quah Wee Ghee, Chairman  
Leo Mun Wai  
Soon Tit Koon

**GEH GROUP SUSTAINABILITY  
COMMITTEE**

Ng Chee Peng, Chairman  
Lee Boon Ngiap  
Leo Mun Wai  
Teoh Lian Ee

**GROUP CHIEF EXECUTIVE OFFICER**

Khor Hock Seng

**APPOINTED ACTUARY**

Tan Eng Yau

**CERTIFYING ACTUARY**

Toh Yun Ying

**COMPANY SECRETARY**

Jennifer Wong Pakshong

**REGISTERED OFFICE**

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Email: [GICare-sg@greateasterngeneral.com](mailto:GICare-sg@greateasterngeneral.com)

**AUDITOR**

PricewaterhouseCoopers LLP  
7 Straits View  
Marina One East Tower, Level 12  
Singapore 018936  
Partner In Charge: Koopmans Hans  
Bernardus  
(since financial year 2020)