



MariBank Singapore Private Limited

Corporate Governance Disclosure Report 2023

For the financial year ended 31 December 2023

Incorporated in Singapore
Company Registration Number: 202106516C

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1. Introduction

MariBank Singapore Private Limited ("**Bank**") is wholly owned by Sea Limited (which is traded as NYSE:SE) and licensed by the Monetary Authority of Singapore ("**MAS**") as a bank with digital full bank licence.

The Bank's board of directors ("**Board**") is committed to observing good corporate governance and works with the senior management of the Bank ("**Management**") to deliver sustainable value to stakeholders.

As a regulated financial institution in Singapore, the Bank is guided in its corporate governance practices by the principles and guidelines listed in the Banking (Corporate Governance) Regulations 2005 ("**CG Regulations**") and all material aspects of the Guidelines on Corporate Governance for Designated Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are incorporated in Singapore issued on 9 November 2021 ("**CG Guidelines**").

This Corporate Governance Report ("**Report**") sets out the Bank's current corporate governance practices. The Bank is committed to observing the spirit and intent of the provisions of the CG Guidelines. This Report elaborates on the rationale for certain deviations of the Bank's practices from the CG Guidelines.

2. Board Matters

2.1 Board of Directors

The Board currently comprises six (6) members who are all non-executive directors. Amongst the non-executive directors, three (3) are independent. The current membership of the Board and its committees is as follows:

Director	Board of Directors	Nominating Committee	Remuneration Committee	Audit Committee	Board Risk Management Committee
Mr Li Xiaodong, Forrest <i>Non-executive and Non-independent Director</i>	Chairman				
Mr Ye Gang <i>Non-executive and Non-independent Director</i>	Member	Member	Member		
Mr Feng Zhimin, Chris <i>Non-executive and Non-independent Director</i>	Member				Chairman
Ms Ong Siew Koon <i>Lead Independent Director</i>	Member	Member	Member	Chairman	Member
Ms Chua Kheng Yeng, Jennie <i>Independent Director</i>	Member	Chairman	Chairman	Member	
Mr Neil Andrew Tottman <i>Independent Director</i>	Member		Member	Member	Member

The Bank is currently exempted from the requirement to: (i) have a majority of directors who are independent directors (Regulation 9(1)(b) of the CG Regulations); and (ii) have at least 5 members of the board of directors on the Nominating Committee (Regulation 12(1) of the CG Regulations).

Mr Li is a non-executive, non-independent director of the Bank, and the Chairman of the Bank's board of directors. Mr Li is the founder of Sea Limited and has served as the Chairman of Sea Limited and group chief executive officer since its inception in May 2009. He is a member of the board of directors of the Singapore Economic Development Board, and serves as an independent non-executive director of Shangri-La Asia Limited. He also serves on the board of trustees for the National University of Singapore, and is the vice-chair of the advisory council of Stanford University's Graduate School of Business. Mr Li holds an M.B.A. degree from Stanford University's Graduate School of Business and a bachelor's degree in Engineering from Shanghai Jiaotong University.

Mr Ye is a non-executive, non-independent director of the Bank. Mr Ye is the co-founder of Sea Limited and has been a member of Sea Limited's board of directors since March 2010. He has served as group chief operating officer since January 2017 and served as group chief technology officer between March 2010 and December 2016. He previously worked at Wilmar International and the Economic Development Board of Singapore. He holds B.S. degrees in Computer Science and Economics from Carnegie Mellon University.

Mr Feng is a non-executive, non-independent director of the Bank. Mr Feng joined Sea Limited in March 2014 and has served as Group President since January 2022. Prior to this role, he served as the chief executive officer of Shopee from July 2015, and as the chief executive officer of SeaMoney from March 2020. Prior to joining Sea Limited, Mr Feng worked at Rocket Internet SE, where he served in management roles at Zalora and Lazada, and at McKinsey & Company. Mr Feng holds a bachelor's degree in Computer Science with first class honors from the National University of Singapore.

Ms Ong is the lead independent director of the Bank. She has current directorships in Nanofilm Technologies International Limited, Karooooo Limited, and Health Concepts and Measurements-Healthiersg Ltd. Prior to her appointment with the Bank, she retired from her role as partner of Ernst & Young LLP, after 37 years with the firm, during which she also acted as the Chief Financial Officer for a period of 3 years with the responsibility for the firm's financial and management accounts. Ms Ong holds a Bachelor of Accountancy degree from the National University of Singapore and is a Chartered Accountant and fellow member of the Institute of Singapore Chartered Accountants.

Ms Chua is an independent director of the Bank. Previous positions held by Ms Chua were Chief Corporate Officer of Capitaland Limited, President & Chief Executive Officer of Ascott Group Limited, Chairman, President & Chief Executive Officer of Raffles Holdings Limited and Raffles International Limited and board member of GuocoLand Limited and GL Limited. Ms Chua has current directorships in Far East Orchard Limited. She also has other principal commitments in SPH REIT Management Pte Ltd, Singapore Institute of Technology, Singapore Film Commission, The Singapore Chinese Girls' School, TF IPC Ltd, MOH Holdings Pte Ltd, MOH Holdings Healthcare Infrastructure and Planning Committee, Vanguard Healthcare Pte Ltd, Temasek Foundation Ltd, Beeworks Pte Ltd, Nanyang Technological University, Woodlands Health Development Board Committee, Community Chest, Temasek Foundation International CLG Limited, Latin American Chamber of Commerce, the RICE Company Limited,

Beeworks Inc, Philippines Bayanihan Society Singapore, and Pas De Deux Holdings Pte Ltd. Ms Chua holds a Bachelors of Science (Hotel Administration) from Cornell University.

Mr Tottman is an independent director of the Bank. Mr Tottman has over 30 years of global banking experience with deep expertise in the Asian / Southeast Asian markets. Over the course of his career, he has undertaken country to global office responsibilities, covering commercial banking, support services, specialised lending and credit risk management. He was with the HSBC Group (i.e. HSBC Holdings plc and its affiliates and subsidiaries) for over 20 years and the DBS Group (i.e. DBS Group Holdings Ltd and its affiliates and subsidiaries) for 10 years, where he last held the position of Managing Director, Regional Credit Head, Southeast Asia. Mr Tottman is a Member of the Finance & Administration Committee, The Masonic Charitable Fund (Singapore) since 2021. Prior to this, he was also the Chair and a Board Member of the Risk Management Association (RMA), Singapore Chapter as well as a Member of the Risk Committee and Chair of the Credit Risk sub-Committee of the Association of Banks, Singapore.

2.2 Board Duties

The Board has a primary responsibility to foster the short and long-term success of the Bank.

The Board's role is to:

- provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Bank to meet its objectives;
- establish a framework of prudent and effective controls which enables risks to be assessed and managed, including the safeguarding of shareholders' interests and the Bank's assets;
- review management performance;
- identify the key stakeholder groups and recognise that their perceptions affect the Bank's reputation;
- set the Bank's values and standards (including ethical standards) and ensure that obligations to shareholders and other stakeholders are understood and met;
- consider sustainability issues as part of its strategic formulation;
- establish and approve the risk appetite, capital, and operating plans of the Bank, as presented by management for the achievement of the strategic objectives it has set; and
- understand the views and interests of all key stakeholders and for considering those views and interests during Board discussions and decision-making.

Implementation of the strategy established and approved by the Board is delegated to management which is led by the Chief Executive Officer of the Bank ("CEO"). The Board has a

sound understanding of the business strategy, nature of the business activities of the Bank and their associated risks, and works with management for the long-term success of the Bank.

The Board's key areas of responsibilities are:

- Corporate Governance
- Corporate Strategy
- Finance
- Risk Management
- Board and Senior Management Appointments and Effectiveness
- Remuneration
- Related Party Transactions
- Engagement with Stakeholders

Where a director has a personal interest in a matter that may conflict with the director's duties to the Bank, the director is required to disclose the conflict, recuse himself/herself from the discussion of the matter and abstain from voting on the matter.

2.3 Board Delegation

The Board has delegated certain authorities to various Board committees while retaining overall oversight. These committees are the Audit Committee ("**AC**"), Board Risk Management Committee ("**BRMC**"), Nominating Committee ("**NC**"), and Remuneration Committee ("**RC**"). These Board committees have been constituted in accordance with the Companies Act 1967, the CG Regulations, and in all material aspects with the CG Guidelines. Each Board committee has written terms of reference which set out the committee's responsibilities. The terms of reference of the Board committees and the effectiveness of the Board committees are reviewed annually. Any change to the terms of reference is subject to the Board's approval. Each Board committee provides a report of its activities and meetings to the Board regularly.

The Board has delegated certain authorities to the CEO and the Management of the Bank, with powers of sub-delegation in relation to the day-to-day management of all business and support functions of the Bank within certain financial limits and in accordance with the policies and procedures that the Board may from time to time determine and approve.

3. Board Committees

3.1 Board Risk Management Committee

The BRMC is appointed by the Board to assist the Board in discharging its oversight responsibilities, and to ensure that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Bank and its shareholders.

The BRMC reviews and oversees the following:

- risk management framework and policy (including Risk Management Governance Structure, Risk Appetite, Risk Policies, Risk Monitoring Processes and Systems, and Compliance with Regulatory Requirements);
- effectiveness of the enterprise-wide risk management framework and policies;
- key (material) risks facing the Bank;
- adequacy and effectiveness of risk management and system of internal controls to ensure key (material) risks are managed within acceptable levels (taking into account financial reporting and other financial-related risks and controls that are covered by the AC);
- ensure integration and alignment of enterprise risk management to the Bank's strategy planning;
- technology, data, and cyber risk management;
- operational risk management;
- outsourcing and non-outsourcing third-party risk management;
- credit risk management;
- market risk management;
- liquidity risk management;
- business continuity management;
- anti-money laundering and countering the financing of terrorism risk management;
- fraud risk management;
- reputational risk management; and
- environmental risk management.

The BRMC held seven (7) scheduled meetings in 2023. During 2023, the BRMC:

- Risk Governance Structure
 - i. Oversaw the operation of an independent risk management system for identifying, measuring, monitoring, controlling, and reporting risks on an enterprise-wide basis; and
 - ii. Obtained independent assessments of the design and effectiveness of the Bank's risk governance framework.
- Risk Management Framework
 - i. Oversaw the Bank's risk management system and policies of the Bank;
 - ii. Determined the Bank's levels of risk tolerance and risk policies, and oversaw management in the design, implementation and monitoring of the risk management and internal control systems;
 - iii. Oversaw the Bank's compliance with regulatory requirements by ensuring appropriate written policies have been established and complied with; and
 - iv. Obtained and reviewed assurance from the CEO and key management personnel on the adequacy and effectiveness of the Bank's risk management and internal control systems.
- Technology, Data and Cyber Risk Management
 - i. Ensured an adequate risk management framework is established and maintained to manage technology risks; and
 - ii. Ensured a technology risk management function to oversee the technology risk management framework and strategy, as well as to provide an independent view of technology risks faced by the Bank.
- Outsourcing and Non-outsourcing Third Party Risk Management
 - i. Approved the framework to evaluate the risks and materiality of outsourcing arrangements and the policies that apply to such arrangements;
 - ii. Set a suitable risk appetite for the extent of risks that the Bank is willing and able to assume from its outsourcing arrangements; and
 - iii. Approved the Bank's policies and processes for the management of non-outsourcing third party arrangements.

- Credit Risk Management
 - i. Determined the level of credit risk that the Bank can bear and developed a credit risk management strategy that is consistent with its credit risk tolerance and business goals.
- Market Risk Management
 - i. Approved the Bank's strategy and policy to manage market risk.
- Liquidity Risk Management
 - i. Approved the Bank's strategies, policies and processes for the management of liquidity risk in light of the Bank's risk profile, external developments and macroeconomic conditions in which it operates.
- Business Continuity Management
 - i. Approved the Bank's business continuity management policy and strategies to minimise the impact from operational disruptions and enable the Bank to fulfil its business obligations during crises.
- Anti- Money Laundering and Countering the Financing of Terrorism Risk Management
 - i. Received information from the Anti-Money Laundering Committee, to assess the money laundering and terrorism financing risks which the Bank is exposed to through its activities and individual business relations.
- Fraud risk management
 - i. Oversaw the Bank's fraud risk management system and policies to ensure suitable risk management frameworks to manage fraud risk faced by the Bank.
- Operational risk management
 - i. Approved the Bank's Operational Risk Management Policy.
- Environmental risk management
 - i. Updated its Terms of Reference to incorporate environmental risk management.
- Reputational risk management
 - i. Oversaw any significant reputational risk arising from the day-to-day operation of the Bank.

3.2 Board Audit Committee

The AC is appointed by the Board to assist the Board in discharging its oversight responsibilities. Also, at least two (2) members, including the AC Chairman, have recent and relevant accounting or related financial management expertise or experience.

The AC is responsible for the adequacy of the external and internal audit functions of the Bank, including reviewing the scope and results of audits carried out in respect of the operations of the Bank, and the independent and objectivity of the Bank's external auditors.

The AC also oversees the financial reporting process to ensure the balance and integrity of published financial information, and reviews the following:

- the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Bank and any announcements relating to the Bank's financial performance;
- the adequacy and effectiveness of the Bank's risk management and internal control systems, at least annually;
- the assurance from the CEO and the Chief Financial Officer ("CFO") on the financial records and financial statements;
- the adequacy, effectiveness, independence, scope and results of the external audit and the Bank's internal audit functions;
- the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on;
- the independent audit process, including recommending the appointment, removal, remuneration, terms of engagement and assessing the performance of the external auditor and Head of Internal Audit; and
- the Bank's process for monitoring compliance with laws, regulations, internal standards (including the code of business conduct), policies and expectations of key stakeholders, including customers, employees, and society as a whole.

The AC held four (4) scheduled meetings in 2023. During 2023, the AC:

- Financial Reporting
 - i. Reviewed the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Bank and any announcements relating to the Bank's financial performance;
 - ii. Ensured that the financial statements of the Bank are prepared in accordance with accounting policies and practices that are internationally accepted; and

- iii. Reviewed the assurance received from the CEO and CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the Bank's operations and finances.
- Risk Management and Internal Controls
 - i. Reviewed the adequacy and effectiveness of the Bank's risk management and internal control systems, including financial, operational, compliance and information technology controls; and
 - ii. Ensured that the Bank has established an adequate risk management system to identify, measure, monitor and manage risks.
- Compliance with Laws, Regulations, Internal Policies, and Industry Standards
 - i. Reviewed the Bank's whistleblowing policy and the arrangements in place for concerns about possible improprieties to be raised and independently investigated, and for appropriate follow-up action to be taken; and
 - ii. Reviewed the significant matters raised through the whistle-blowing channel.
- Working with the External Auditor
 - i. Reviewed the scope and results of the external audit, and the independence and objectivity of the external auditors;
 - ii. Approved the policies for appointing external auditors, and made recommendations to the Board on the appointment and re-appointment of the external auditors;
 - iii. Ensured that the external auditor has unrestricted access to information and persons within the Bank as necessary to conduct the audit; and
 - iv. Met with the external auditors, without the presence of Management.
- Internal Audit
 - i. Approved the appointment and remuneration of the Head of Internal Audit;
 - ii. Approved the budget of the Internal Audit function and ensured that the Internal Audit function is adequately resourced, independent of the activities it audits, and has appropriate standing within the Bank;
 - iii. Reviewed the adequacy, effectiveness, independence, scope, and results of the internal audit function and ensured that an internal Quality Assurance Review is conducted annually, and that an independent validation of the Quality Assurance Review is conducted at least once every five (5) years;
 - iv. Reviewed and approved the proposed yearly or other periodic internal audit plan and ensured that it addresses key areas of risk; and

v. Met with the internal auditors, without the presence of Management.

- Related Party Transactions

- i. Reviewed the Bank's policies and procedures on related party transactions, including the applicable materiality thresholds for related party transactions; and
- ii. Reviewed and approved the Bank's entry into any related party transaction which exceeds the applicable materiality threshold, or (in the case of previously approved transactions) the increase in the existing exposure of the transaction or change to the terms governing the transaction.

3.3 Nominating Committee

The NC is appointed by the Board to assist and provide recommendations to the Board on the following:

- review of structure, size and composition of the Board and the Board committees;
- review of succession plans for directors, the CEO and key management personnel;
- review of training and professional development programs for the Board and its directors;
- review of the process and criteria for appointment and re-appointment of directors taking into account the need for progressive renewal of the Board and Board committee members;
- review of the process and criteria for the progressive renewal of the senior management, including the CEO, CFO, Chief Risk Officer ("CRO") and Head of Treasury;
- review and evaluation of the independence of all directors;
- development of a framework to identify the skills that the Board collectively needs;
- review of nominations, and reasons for resignations, of key appointment holders; and
- the process and criteria for performance evaluation of Board and its Board committees.

The NC held four (4) scheduled meetings in 2023. During 2023, the NC:

- Succession Plan

- i. Reviewed the succession plans for the directors, the CEO, CFO, CRO and the Head of Treasury.

- Training and Professional Development

- i. Reviewed and exercised oversight of training and professional development programs for the Board and its directors, particularly on relevant laws, regulations, and risks for digital banks.
- Identification, Appointment, Review of Directors and Officers
 - i. Considered and reviewed potential candidates for directors before recommending any nominations to the Board. All Board appointments are subject to the Board's concurrence and approval of the MAS;
 - ii. Assisted and tabled to the Board for review, the assessment of the independent directors; and
 - iii. Reviewed the succession planning for senior management.
- Performance Assessment
 - i. Recommended for the Board's approval, the performance criteria and process for the evaluation of the effectiveness of the Board and the Board committees; and
 - ii. Conducted the annual performance evaluations of the Board and each Board committee; and used the evaluation results to discuss improvement opportunities for the Board and its committees.

3.4 Remuneration Committee

The RC is appointed by the Board to assist and provide recommendations to the Board on the following:

- remuneration framework and policies for the directors, executive officers, and material risk takers;
- specific remuneration packages for each director as well as for the executive officers; and
- the talent management framework for the Bank.

The RC held two (2) scheduled meetings in 2023. During 2023, the RC reviewed:

- The remuneration practices and policies to ensure that they are in line with the Bank's strategic objectives, appropriate and proportionate for sustained performance and value creation, linked to performance and symmetric with risk management; and
- The remuneration structure and framework for directors, key management personnel and employees, and recommended specific remuneration packages for key management personnel based on the said framework.

4. Administration

4.1 Meetings and Attendance

The Directors' attendance at formal meetings in 2023 is set out in the table below.

	Board	BRMC	AC	NC	RC
Number of meetings held	4	7	4	4	2
Number of meetings attended¹					
Mr Li Xiaodong Forrest	4/4	-	-	-	-
Mr Ye Gang	3/4	4/4	-	3/4	1/2
Ms Ong Siew Koon	4/4	7/7	4/4	4/4	2/2
Mr Feng Zhimin Chris	4/4	6/7	2/2	-	-
Ms Chua Kheng Yeng Jennie	4/4	-	4/4	4/4	2/2
Mr Neil Andrew Tottman ²	2/2	3/3	2/2	-	

4.2 Directors' Induction and Continuous Development

As part of the induction of new directors, new directors will meet with the key management teams including the head of departments of the Bank upon appointment.

Materials relating to the Bank's Board and its Board committees' structure, terms of references, relevant Bank's frameworks, policies and guidelines (including without limitation, those relating to the Bank's business, operations, governance and support functions) will also be shared with new Board members as part of their induction.

An induction was conducted for Mr Neil Andrew Tottman, who was newly appointed as a director of the Bank, following his appointment as a director on 31 August 2023.

NC also periodically recommends training to directors to ensure that the directors are continuously equipped with the latest knowledge in the ever evolving banking and financial technology industry. The Bank engaged professional consultants to provide training sessions to our directors on topics regarding the regulatory supervision regime of a digital bank in Singapore, duties and obligations of the Board, and risk management which generally

¹ Save in respect of Mr Neil Andrew Tottman, the effective date of the directors' appointments, including their committee memberships, is 3 November 2021.

² Mr Neil Andrew Tottman was appointed as a director and member of the BRMC and AC on 31 August 2023. He replaced Mr Ye Gang and Mr Feng Zhimin Chris on the BRMC and AC respectively

encompasses technology and cyber risk, money laundering and terrorism financing risk, regulatory risk on related party transactions, credit risk, operational risk, liquidity risk, market risk, fraud risk, reputational risk and environmental risk.

4.3 Appointment and Re-appointment of Directors

Mr Feng and Ms Chua were due to retire by rotation, and being eligible for re-election, were re-elected at the June 2023 Annual General Meeting.

The evaluation of a director for appointment or re-appointment is based on merit, taking into account that director's qualifications, skills, expertise, experience, performance and time commitment, fulfilment of the fit and proper criteria, independence status, and results of the various due diligence searches conducted on the director.

4.4 Key Appointment Holders

There were no changes to Key Appointment Holders in 2023.

4.5 Independence of Directors

The independence of a director is determined based on the criteria set out in the CG Regulations and the CG Guidelines. The CG Regulations provide that a director is considered independent if he/she is independent from management and business relationships with the Bank, and its substantial shareholders, and if he/she has not served on the Board for a continuous period of nine (9) years or more.

The NC assists and tables to the Board for review, the annual independence assessments in respect of the Bank's independent directors. In assessing the director's independence, the director's profile, disclosures, and responses in a questionnaire are taken into consideration. This questionnaire is designed for assessing a director's independence based on the criteria in the CG Regulations and CG Guidelines. Directors are also required to disclose to the Board any relationships or circumstances which are likely to affect, or could appear to affect their judgement, as and when they arise.

The Board made the following independence assessments in December 2022:

- Ms Ong Siew Koon is considered an independent director. She does not have any management or business relationships with the Bank nor any connection with the Bank's substantial shareholders. Neither has she served on the Board for nine (9) years or beyond. None of her direct family members are employed by the Bank.
- Ms Chua Kheng Yeng Jennie is considered an independent director. She does not have any management or business relationships with the Bank nor any connection with the

Bank's substantial shareholders. Neither has she served on the Board for nine (9) years or beyond. None of her direct family members are employed by the Bank.

The Board made the following independence assessment in July 2023:

- Mr Neil Andrew Tottman is considered an independent director. He does not have any management or business relationships with the Bank nor any connection with the Bank's substantial shareholders. Neither has he served on the Board for nine (9) years or beyond. None of his direct family members are employed by the Bank.

In addition, the Board only comprises non-executive directors. This Board composition allows constructive challenge of proposals tabled before the Board. To facilitate an effective check and balance on Management, the Board meets at least once a year without the presence of Management.

4.6 Board Performance

The Board and each of its committees undertook their annual performance evaluations. The NC had deliberated and assessed that with the appointment of a new independent director to the Board and its committees, the focus continues to be on their ability to work cohesively to achieve their joint goals and responsibilities. Each director completed the evaluation forms for the Board and respective committees that the director sits on, with the evaluation criteria taking into account their contributions collectively, including attendance at meetings, participation in training sessions, composition, processes, culture, risk management, and effectiveness. The evaluations also allowed the Board to recognise fellow board members who have contributed significantly to the Board and its committees, either through positive discussions and debates, expertise knowledge or market intelligence. No external facilitator was engaged for the performance evaluations.

Having considered the above, the NC was satisfied that the Board and each of its committees have performed their duties diligently, availed themselves to attend to the Bank's affairs and contributed to the Bank. The NC also used the evaluation results to constructively discuss other improvement opportunities for the Board and its committees.

4.7 Board Diversity Policy

The Bank recognises that diversity of its Board is a valuable criteria which enhances decision-making, improves oversight, promotes good governance, and supports the long-term strategic objectives of the Bank. In furtherance of the Bank's aim to achieve diversity of its Board, the Bank has developed a Board Diversity Policy. Pursuant to this Policy, the composition of the Board comprises of directors who are evaluated and selected based on their own merit and on a range of attributes.

The NC considers varied factors when making its recommendations to the Board for the appointment of directors, including but not limited to:

1. Professional expertise and experience;
2. Length of service;
3. Education;
4. Gender; and
5. Age.

The Board believes that the directors collectively have a wide range and depth of experiences and industry expertise, representing diversity of age, gender, skills, and knowledge. This includes experience in the areas of technology, financial services, strategic planning and business management, accounting and audit, and consumer services, thereby providing the core competencies that are relevant to the Bank's business and contributing to the effective oversight of the Bank's affairs.

5. Remuneration Matters

The RC is appointed to assist and provide recommendations to the Board on remuneration-related matters, as outlined at section 3.4 above.

5.1 Remuneration Policy

The Bank's remuneration policies and practices are reviewed by the RC and approved by the Board. These are designed to drive the right behaviours to facilitate the Bank's long-term success, robust corporate governance, risk management and compliance, while attracting, retaining and motivating employees. The remuneration allocation for employees takes into consideration the performance of the individual, respective business units and the Bank's overall performance. The remuneration package generally comprises of base pay (such as basic salary) and variable pay (such as performance bonus and other monetary compensations or benefits-in-kind). Employees of the Bank who are eligible for share-based compensation may be entitled to participate in Sea Limited's share incentive plan. Details of this share incentive plan are disclosed in Sea Limited's Annual Report, filed with the U.S. Securities and Exchange Commission on an annual basis.

5.2 Remuneration of Key Executives

The Board is of the view that given the sensitive and confidential nature of the CEO and employees' remuneration, detailed disclosure on the remuneration of the top five key management personnel is not in the best interests of the Bank. Such disclosures would put the Bank at a disadvantage in relation to its competitors and may adversely impact the cohesion and spirit of teamwork prevailing amongst the Bank's employees.

There are also currently no employees who are substantial shareholders of the Bank, or are immediate family members of a director, the CEO, or a substantial shareholder of the Bank.

5.3 Remuneration of Non-Executive Directors

The remuneration of the Bank's non-independent non-executive directors is drawn from Sea Limited and decided in accordance with its compensation plans. These non-independent non-executive directors of the Bank currently do not receive any remuneration or fees from the Bank for their services as directors for the Bank. Although the Regulations recommend the disclosure of the remuneration of each individual director on a named basis, the Bank took into account that such disclosure is typically made by companies to keep their shareholders informed. In the Bank's case, its shareholder has approved, and thus has full knowledge of, the independent non-executive directors' remuneration.

6. Accountability and Audit

6.1 Risk Management and Internal Control

The Board received a letter of assurance from the CEO and CFO that as at 31 December 2023, financial records have been properly maintained and the financial statements give a true and fair view of the Bank's operations and finances.

The Board received a letter of assurance as at 31 December 2023, from the CEO and other such key management personnel who are responsible, regarding the adequacy and effectiveness of the Bank's risk management and internal control systems.

Based on the internal controls established and maintained by the Bank, the Board, with the concurrence of AC and BRMC, is of the opinion that the system of internal controls, covering all material controls, including financial, operational and compliance and information technology controls and risk management systems were adequate as at 31 December 2023, to address the risks which the Bank considers relevant and material to its operations.

The system of internal controls provides reasonable, but not absolute, assurance that the Bank 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 and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud, and other irregularities.

6.2 Internal Audit

Internal Audit coverage of the Bank is performed by the Bank's Internal Audit ("**IA**") team. The IA team is an independent function established with the primary role of assisting the AC, as part of the AC's oversight function. The IA function's roles, responsibilities, authority, and position within the Bank's "three lines of defence" model are defined in the Audit Charter.

The Bank has a Head of Internal Audit ("**Head of IA**") overseeing internal audit matters. The primary reporting line of the Head of IA is to the AC, which also decides on the appointment, termination and remuneration of the Head of IA. The Head of IA is also an invitee of the Bank's Management Committee. Based on this structure, the IA function is independent of the Bank's management and has appropriate standing within the Bank. The AC also reviews the performance of the IA function annually and is satisfied that the performance of the IA function is effective and adequate, and that the IA function is adequately resourced.

The IA function adheres to the Bank's Code of Conduct, the Institute of Internal Auditors' International Professional Practices Framework including the Core Principles and International Standards for the Professional Practice of Internal Auditing, Definition of Internal Auditing and the Code of Ethics, and other professional auditing standards as applicable. In

accordance with its charter, the primary role of IA function is to perform risk assessments and identify the material risks run by the Bank, including in relation to any outsourced activities or functions, as well as ensure that all audits required by prevailing regulations are completed, so as to provide an independent opinion on the control environment of all auditable units.

The IA function adopts a risk-based approach in its auditing activities. An annual audit plan is developed using Risk Assessment & Audit Planning (“**RAAP**”) process through which risk factors are applied to assess each auditable area in the Bank. The AC reviews the audit plan and its progress. The audit plan is reviewed on a periodic basis and any changes to the plan are discussed with and reviewed by the AC.

On a quarterly basis, the Head of IA updates the AC on all completed and upcoming audits and findings from audits conducted. The AC meets with the Head of IA, without the presence of Management at least once a year. The IA function has unfettered access to the AC, the Board, and the Management to carry out its functions.

In line with leading practices, the IA function has a Quality Assurance and Improvement Programme (“**QAIP**”) that covers all aspects of its activities. The QAIP is designed to enable an evaluation of the IA function’s conformance with the Standards for the Professional Practice of Internal Auditing prescribed by the Institute of Internal Auditors. As part of the QAIP, an internal Quality Assurance Review (“**QAR**”) is conducted annually, and an external QAR is carried out at least once every five years by qualified professionals from an external organisation.

6.3 Whistleblowing Policy

The Whistleblowing Policy is one of the Bank’s initiatives to uphold a culture of accountability, integrity and transparency. The Whistleblowing Policy provides for any person to report any misconduct and/or wrongdoing (such as fraud, corruption, violation of the law, regulations, or our policies) to a dedicated email address which is available on the Bank’s intranet. The Whistleblowing Policy (which is also available on the Bank’s intranet) establishes the standards for reviewing and investigating a report, recommending timely corrective action, and protecting the whistle-blowers.

7.Shareholder and Stakeholder Engagement; Related Party Transactions

7.1 Shareholder engagement

The Bank is a wholly owned direct subsidiary of SeaMoney Holding Limited (“**Shareholder**”), which is a wholly owned subsidiary of Sea Limited (NYSE:SE). There is effective communication between the Bank and the Shareholder. The Shareholder is entitled to participate in decisions concerning key corporate changes, such as the appointment of any directors and any amendment to the Bank's Constitution.

The Bank's Annual General Meeting is held within six (6) months from the financial year end and is convened pursuant to Section 179(6) of the Companies Act 1967. The notices of general meetings setting out the agenda are to be dispatched to the Shareholder or its appointed corporate representative, together with the audited financial statements, auditors' reports, and the directors' statements thereon, prior to any general meetings. The Bank ensures separate resolutions are proposed at general meetings on each distinct issue.

7.2 Stakeholder engagement

Our key stakeholders are those who most impact our strategy or are directly impacted by it. They comprise our customers, employees, and regulators. The Bank also maintains a corporate website to communicate and engage with stakeholders, at <https://www.maribank.sg>.

Customers:

- Key areas of focus: Banking inclusivity and accessibility, quality of customer service, providing advice and assistance, delivering of simple banking solutions with real benefits, and creating products that are both reliable and relevant.
- Engagement method: Product related focus groups, interviews, and surveys with customers to further understand their needs and wants for banking products and services. Active engagement via customer support staff and conducting frequent benchmarking against competitors.

Employees:

- Key areas of focus: Communication on overall industry environment and corporate business strategy. Workplace well-being and employee relations. Corporate culture and values, and individual development.
- Engagement method: Regular town halls, internal e-communication / communication platforms. Online channels to obtain feedback and suggestions are also made available.

Regulators:

- Key areas of focus: Robustness and management of risks, commitment to combating financial crime, stability of financial performance, business strategy, and strength of data governance and security
- Engagement method: Meetings, engagements and consultations with regulatory bodies (as and when appropriate), and representation at industry forums of working groups

7.3 Related Party Transactions

The Bank has established policies and procedures on transactions involving related parties ("**RPT Policy**") in compliance with relevant regulatory requirements to ensure that related party transactions are conducted free of conflicts of interest and undertaken on an arm's length basis.

The Bank complies with local regulatory requirements with respect to the monitoring and reporting of the exposures of the Bank to related parties. The Bank reviews any related party transaction which exceeds the applicable materiality threshold set out in the Bank's RPT Policy to ensure compliance with regulations.

In connection with the preparation of the Bank's annual statutory accounts, the AC reviews all material related party transactions to assess if they are undertaken in the ordinary course of business, on normal commercial terms and at arm's length. An AC member abstains from voting on the matter if he/she has any direct or indirect interest, and recuses himself / herself from the portion of the meeting where there is a potential conflict. The Bank has disclosed related party transactions in the notes to the financial statements for the financial year ended 31 December 2023.