

HSBC LIFE (SINGAPORE) PTE. LTD.
("Company")
Registration Number: 199903512M

Corporate Governance Report 2025

Date: 6 May 2026

CORPORATE GOVERNANCE REPORT

INTRODUCTION

HSBC Life (Singapore) Pte. Ltd. (the “**Company**”) was incorporated in Singapore on 23 June 1999 and is an indirect wholly-owned subsidiary of The Hongkong and Shanghai Banking Corporation Limited (“**HBAP**”) held through HSBC Insurance (Asia-Pacific) Holdings Limited (“**INAH**”), with HSBC Holdings plc (“**HSBC Plc**”) as the ultimate parent. It is licensed by the Monetary Authority of Singapore (“**MAS**”) to engage in the insurance business in Singapore.

The board of directors (“**Board**”) is committed to upholding high standards of corporate governance and works with senior management to deliver sustainable value to stakeholders. This corporate governance report sets out the Company’s corporate governance practices, which conform to the Insurance (Corporate Governance) Regulations (the “**CG Regulations**”) as well as the MAS Guidelines On Corporate Governance For Designated Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers Which Are Incorporated In Singapore (“**CG Guidelines**”). Where the Company’s practices differ from the CG Guidelines with express disclosure requirements, the rationale is explained in this report.

BOARD MATTERS (Principles 1 to 5, CG Guidelines)

Board of directors

The Board currently comprises seven members, the majority of whom are independent non-executive directors. Information on the directors is set out below.

<p>Edward Charles Lawrence Moncreiffe (Non-Executive Board Chairman)</p>	<p>First appointed on 28 June 2024 Last re-elected on 30 June 2025</p> <p>As Board Chairman, Mr Moncreiffe is responsible for providing leadership to the Board. Mr Moncreiffe is currently the Chief Executive Officer (“CEO”) of HSBC Global Insurance overseeing HSBC Group’s insurance business, which includes insurance companies in Hong Kong, Macau, mainland China, Singapore, India, France, United Kingdom, Malta Bermuda and global insurance distribution partnerships.</p> <p><u>Non-listed companies and other principal commitments</u></p> <ul style="list-style-type: none"> • HSBC Insurance Brokers Greater China Limited: Non-Executive Director • HSBC Insurance (Asia-Pacific) Holdings Limited: Director, Chairman & CEO • HSBC Insurance (Asia) Limited: Chairman and Non-Executive Director • HSBC Life (International) Limited: Chairman and Non-Executive Director • Canara HSBC Life Insurance Company Limited: Non-Executive Director, member of the Audit Committee, Corporate Social Responsibility Committee, Risk Management Committee, Policyholder Protection Committee, Investment Committee, Nomination and Remuneration Committee • Hang Seng Insurance Company Limited: Non-Executive Director • International Insurance Society: Executive Council Member • The Geneva Association: Member <p><u>Academic and professional qualifications</u></p> <ul style="list-style-type: none"> • Executive MBA, Honours, University of Chicago Booth School of Business • Chartered Insurer, Chartered Insurance Institute
<p>Harpreet Singh Bindra (Executive Director and Chief Executive Officer)</p>	<p>First appointed on 20 September 2023 Last re-elected on 30 June 2025</p> <p>As the CEO, Mr Bindra leads the management team and implements the decisions of the Board and Board Committees. He is responsible for the Company’s day-to-day operations and business, including ensuring the continued adequacy and effectiveness of the system of internal controls and risk management. In external recognition of his leadership, Mr Bindra was honoured as one of the Influential Brands “Top CEOs of the Year 2025” at the Influential Brands 2026 Awards Gala. He was also named in Insurance Business Magazine’s Global 100 Best Insurance Professionals and Brokers Worldwide.</p>

	<p>Mr Bindra joined HSBC in 2018. Before becoming the CEO of the Company, Mr Bindra was the Managing Director and Global Head of Strategy and Business Development, HSBC Global Insurance and Partnerships, responsible for executing the strategic growth agenda for HSBC's global insurance businesses in 10 markets across Asia, Europe and Latin America.</p> <p><u>Non-listed company and other principal commitments</u></p> <ul style="list-style-type: none"> • Life Insurance Association: Member of Management Committee • Million Dollar Round Table: Member Company Advisory Group <p><u>Academic and Professional Qualifications</u></p> <ul style="list-style-type: none"> • Master in Business Administration • Bachelor's degree in Business Economics (Honours)
<p>Babak Nikzad Abbasabadi</p> <p>(Audit Committee Chairman, Risk Committee member and With-Profits Committee member)</p>	<p>First appointed on 11 February 2022 Last re-elected on 30 June 2025</p> <p>Mr Nikzad Abbasabadi was with the KPMG Group from September 1987 to March 2017 when he retired as the KPMG Hong Kong/China Partner.</p> <p><u>Non-listed companies</u></p> <ul style="list-style-type: none"> • HSBC Insurance (Asia) Limited: Independent Non-Executive Director, Audit Committee chair and Risk Committee member • HSBC Life (International) Limited: Independent Non-Executive Director <p><u>Academic and professional qualifications</u></p> <ul style="list-style-type: none"> • Master of Science (Mechanical Engineering), Imperial College, University of London, UK • Bachelor of Science (Mechanical Engineering), King's College, University of London, UK • Master of Science (Mechanical Engineering), Imperial College, University of London, UK • CPA, Hong Kong Institute of Certified Public Accountants • ACA, Institute of Chartered Accountants in England and Wales
<p>Prof Chia Kee Seng</p> <p>(Risk Committee member)</p>	<p>First appointed on 1 April 2023 Last re-elected on 30 June 2025</p> <p>Prof Chia is a professor at Saw Swee Hock School of Public Health, National University of Singapore ("NUS"). He was the founding dean of the Saw Swee Hock School of Public Health between October 2011 and December 2017 and held various roles with NUS including as Head of the Department of Epidemiology and Public Health and Associate Professor of the Department of Community, Occupational and Family Medicine. He also serves on the boards of several health institutions in Singapore and overseas.</p> <p><u>Non-listed companies and other principal commitments</u></p> <ul style="list-style-type: none"> • Saw Swee Hock School of Public Health, National University of Singapore: Professor • Academy of Medicine – Ministry of Health: Chairman of Screening Tests Review Committee • National Centre for Infectious Disease: Chairman of Scientific Research Advisory Board • Tsinghua University School of Public Health: Member of International Advisory Panel • World Health Organisation: Member of Global Coordination Mechanism NCD Working Group on Health Literacy <p><u>Academic and professional qualifications</u></p> <ul style="list-style-type: none"> • Fellow, Academy of Medicine, Singapore • Doctorate of Medicine (MD), NUS • Master of Science in Occupational Medicine (M.Sc. (O.M.)), NUS

	<ul style="list-style-type: none"> • Bachelor of Medicine & Bachelor of Surgery (M.B.B.S.), NUS
<p>Ng Wai Kin</p> <p>(With-Profits Committee Chairman, Audit Committee member and Risk Committee member)</p>	<p>First appointed on 1 December 2024 Last re-elected on 30 June 2025</p> <p>Mr Ng is a seasoned leader with more than 30 years of experience in life insurance with deep understanding of the Singapore market. Prior to his retirement as Deputy CEO of NTUC Enterprise in 2022, he was the CEO of NTUC Income from 2013 to 2019. Mr Ng is a trained actuary, and he took on various Executive Committee roles (i.e. Chief Actuary & Chief Risk Officer, General Manager, Distribution) during his tenure with NTUC Income.</p> <p>Mr Ng does not have any other directorship or principal commitment.</p> <p><u>Academic and professional qualifications</u></p> <ul style="list-style-type: none"> • Master of Business Administration, Imperial College School of Management, United Kingdom • BSc Actuarial Science, London School of Economics • Fellow of the Institute of Actuaries, United Kingdom
<p>Goh Geok Cheng</p> <p>(Risk Committee Chairman, Audit Committee member and With-Profits Committee member)</p>	<p>First appointed on 1 August 2024 Last re-elected on 30 June 2025</p> <p>Ms Goh has more than 30 years of sectoral experience with particular depth in financial management, audit, risk and governance. Ms Goh was the Group Chief Performance Officer of FWD Group. Prior to that, she was the Chief Financial Officer/Regional Risk Controls Officer of Prudential Singapore.</p> <p><u>Other principal commitments</u></p> <ul style="list-style-type: none"> • National Arts Council: Council Member and Chair of Audit and Risk Committee • Institute of Singapore Chartered Accountants: Member of Investigation and Discipline Committee • Liberty Pte. Limited: Lead Independent non-executive director, Risk Committee Chair, Audit Committee member, Remuneration Committee member and Nomination Committee member. <p><u>Academic and professional qualifications</u></p> <ul style="list-style-type: none"> • Master of Science in Professional Accountancy, University of London • Fellow of the Association of Chartered Certified Accountants, United Kingdom • Fellow of the Institute of Singapore Chartered Accountants
<p>Zhang Kai</p> <p>(Non-Executive Director)</p>	<p>First appointed on 1 July 2025</p> <p>Kai Zhang is the Head of International Wealth and Personal Banking (“IWPB”), Asia. She brings over 26 years of experience in financial institutions and consulting firms in Singapore, China and the US. Prior to joining HSBC in 2023, she was the CEO and General Manager of Manulife-Sinochem Life Insurance Co., Ltd. in mainland China from 2016 to 2023 and held various senior leadership roles at Citigroup in New York, Singapore and Shanghai from 2000 to 2015, including as the Head of Consumer Banking and Chief Financial Officer.</p> <p>Ms Zhang does not have any other directorship or principal commitment.</p> <p><u>Academic and professional qualifications</u></p> <ul style="list-style-type: none"> • Bachelor of Arts in Economics, Magna Cum Laude and Phi Beta Kappa • Master of Business Administration, Beta Gamma Sigma, Dean’s List

Board duties

The Board's responsibilities are set out in its written terms of reference. Its key responsibilities include:

- (a) providing entrepreneurial leadership within a framework of prudent and effective controls which enables risks to be assessed and managed;
- (b) approving the overall strategy, risk appetite, capital and operating plans to achieve the strategic objectives it has set;
- (c) providing stewardship of the HSBC culture, conduct and behavioral standards that promote prudent risk-taking and fair treatment of customers;
- (d) overseeing Management's formulation of policies and processes to promote fair practices and high standards of business conduct;
- (e) approving the appointments of directors and key executives, including the **CEO**, Chief Financial Officer ("**CFO**") and Chief Risk and Compliance Officer ("**CRCO**"); and
- (f) monitoring performance and management of operations in line with the strategy, risk appetite, business plans and budgets.

Board approval is required for material matters such as:

- (a) the strategic objectives, strategies for achieving the objectives, financial resources plan and risk appetite statement;
- (b) any significant change in accounting policies or practices;
- (c) any acquisition, disposal, investment, capital, legal or litigation expenditure, sponsorship or charitable donation or realisation or creation of a new venture; and
- (d) the full-year financial statements and the distribution of the Company's profit.

All directors are required to act objectively, with due care and in the interests of the Company when discharging their duties. Where a director has a personal interest in a matter that may conflict with the director's duties to the Company, the director is required to disclose the conflict, recuse himself/herself from the discussion of the matter and abstain from voting on the matter.

The Board seeks to make decisions by consensus. Where there is a divergence of views, decisions are made by majority vote and dissenting views are recorded. The Board may also make decisions by way of resolutions in writing. All deliberations and decisions of the Board are minuted and properly maintained.

Board delegation

The Board has delegated certain duties to three Board Committees - Audit Committee, Risk Committee and With-Profits Committee – while retaining overall oversight. Each Board Committee has written terms of reference which set out the committee's responsibilities. The terms of reference of the committees are reviewed annually. Any change to a committee's terms of reference is subject to the Board's approval. Each committee provides a report of its activities and the minutes of its meeting to the Board.

As allowed under the CG Regulations, the Board performs the functions of a nominating committee and a remuneration committee. The Board has not established a board executive committee.

The Board has delegated the day-to-day management of the business and the implementation of strategy to the CEO, who is supported by an executive committee comprising senior executives of the Company.

Meeting attendance

Meetings of the Board and each Board Committee are scheduled well in advance. Additional meetings are convened when required. Directors are equipped with secure access to electronic meeting materials.

The Company's constitution provides for a director to participate in a meeting via telephonic or video conference where exigencies prevent the director from attending the meeting in person. The table below sets out the number of meetings held in 2025 and the attendance of directors at the meetings.

Meetings	Board	Audit Committee	Risk Committee	With-Profits Committee
Number of meetings held	8	6	7	3
Edward Charles Lawrence Moncreiffe	8	-	-	-
Harpreet Singh Bindra	8	-	-	-
Yap Chee Meng ⁽¹⁾ retired from the Board on 30 June 2025.	4	4	-	-
Babak Nikzad Abbasabadi	8	6	7	3
Professor Chia Kee Seng ⁽¹⁾ Stepped down as AC member on 30 June 2025	8	4	7	-
Goh Geok Cheng	8	6	7	3
Ng Wai Kin ⁽¹⁾ Appointed as AC member on 30 June 2025.	8	2	7	3
Zhang Kai ⁽²⁾ Appointed to the Board on 1 July 2025.	4	-	-	-

Access to information

Directors have separate and independent access to information, Management and the internal and external auditors. Comprehensive information is provided to directors in advance of each meeting. Any additional material or information requested by directors is furnished in a timely manner.

Information provided includes meeting papers and related materials, background or explanatory information relating to matters to be brought before the Board, and copies of budgets, forecasts and monthly summary of financial information including, if applicable, material variances between projections and actuals. Information provided on an ongoing basis at board meetings includes financial, business, risk, operations, human resources and regulatory updates. Copies of minutes of meetings are distributed to directors at every scheduled board meeting and are available to directors at all times.

Directors, either individually or as a group, in furtherance of their duties, may appoint, employ or retain professional advisers as they may consider appropriate. Any such appointment shall be made through the Company Secretary, who shall be responsible for the contractual arrangements and payment of fees by the Company on behalf of the Board.

Company Secretary

Directors have separate and independent access to the Company Secretaries. The Company Secretaries attend all meetings of the Board, Audit Committee and Risk Committee and prepare the minutes of each meeting. They assist each Chair to ensure that meeting procedures are followed and that applicable regulations are complied with. They facilitate information flow between the Board, Board Committees and senior management. They are responsible for preparing the corporate governance report and facilitating the induction of new directors and the professional development of directors. The Board's approval is required for the appointment and removal of each Company Secretary.

Culture and conduct

As part of the HSBC Group, the Company adopts the HSBC values which promote high levels of professional conduct of business. These values emphasise, *among others*, integrity, honesty and proper conduct at all times, and are adopted as performance appraisal criteria for employees. All employees of the Company are required to undergo training on the HSBC values.

The Company has established guidelines for assessing and handling customer complaints and properly documenting the assessment outcome for each complaint. Management reviews regular reports on customer complaints and highlights material complaints to the Board.

The Board and senior management observe the MAS Guidelines on Individual Accountability and Conduct and implement the relevant requirements.

Board Composition

Annually, the Board assesses its size and composition and each director's independence.

The Board has assessed that each director remains fit and proper and qualified for the office of director and contributes to the collective skills, experience and knowledge of the Board. Collectively, the directors have in depth experience in banking, insurance, finance and management, providing core competencies that are

relevant to the Company's business. Having considered the Company's scope and nature of business and operations, the Board considers a board size of up to seven members appropriate for overseeing the Company's affairs and for progressive renewal of the Board. The Board will continue to assess the board size and the skills and expertise required to provide effective stewardship of the Company.

In assessing each director's independence, the Board considers each director's profile, tenure on the Board as well as his/her responses in questionnaires, which are designed for assessing a director's independence based on the criteria in the CG Regulations and CG Guidelines and his/her fitness and propriety for office based on the MAS Guidelines on Fit and Proper Criteria.

There is a strong element of independence on the Board, with independent non-executive directors making up more than half of the Board. Page 9 sets out the Board's assessment of directors' independence.

Chair and Chief Executive Officer

The roles of the Chair and the CEO are separate and held by unrelated individuals. There is a clear division of responsibilities between the Chair and the CEO.

The Chair's responsibilities include providing leadership to the Board, setting the agenda for board meetings, overseeing the performance of the Board, leading the Board in the overall stewardship of the business and ensuring that directors receive timely and comprehensive information for informed deliberations. The Chair promotes open and frank debates by all directors at every board meeting.

The CEO is responsible for the day-to-day management of the Company, including ensuring the continued adequacy and effectiveness of the system of internal controls and risk management.

Lead independent director

The CG Guidelines have recommended the appointment of a lead independent director where the Chair is not an independent director. The Board has formed the view that it is not necessary to appoint a lead independent director because there is a strong independent element on the Board. Independent directors form a majority of the board members and can ensure that matters affecting policyholders and other stakeholders receive proper consideration and are handled objectively in the best interest of the Company.

Selection and nomination of directors

The Board performs the functions of a nominating committee, whose main responsibilities include:

- (a) identifying and evaluating candidates for appointment to the Board and Board Committees;
- (b) assessing the independence of directors;
- (c) reviewing the size and composition of the Board and Board Committees;
- (d) evaluating the performance of the Board, Board Committees and each director; and
- (e) reviewing the nomination, appointment and reason for the resignation of directors and the CEO, Chief Financial Officer ("CFO"), Chief Risk and Compliance Officer ("CRCO"), Chief Operating Officer, Appointed Actuary, Certifying Actuary and etc.

All directors may nominate candidates for appointment to the Board. The criteria applied by the Board in identifying and evaluating candidates include (i) the CG Regulations and CG Guidelines on independence and composition; (ii) a candidate's fitness and propriety and qualification for office, taking into account inter alia, the candidate's experience, capabilities and skills; (iii) the knowledge and skills that the Board and Board Committees require to discharge their responsibilities effectively, taking into account the strategic direction of and emerging challenges faced by the Company; and (iv) a candidate's ability to commit time to the affairs of the Company.

The Company conducts vetting checks, which include credit bureau, litigation and blacklist searches, on shortlisted candidates to ascertain that the candidates are fit and proper and qualified for office. In considering a candidate's time commitment, the Board has set a limit on directorships in listed companies. Generally, a director who has full-time employment in any organisation shall have appointments in no more than three listed companies, while directors who do not have any full-time employment shall have appointments in no more than six listed companies.

In reviewing the appointment or re-appointment of directors, the Board seeks to ensure that the criteria are

fulfilled. All appointments to the Board are subject to the approval of MAS.

Directors' induction and continuous development

Upon appointment, new directors are given a comprehensive and tailored induction. The induction pack includes materials on a director's duties and obligations, the terms of reference of the Board and Board Committees and relevant HSBC Group policies. As part of the induction, new directors meet with key senior executives and receive briefings on the Company's business, operations, industry-specific regulations, risk management and governance practices.

All directors are given appropriate training on a continuing basis. Directors attend internal briefings given by in-house subject-matter experts and, where relevant, external programmes such as those conducted by the Singapore Institute of Directors. Directors may also request training on specific topics of interest. In addition, executive directors have access to training programmes for employees.

Training topics covered in 2025 included actuarial funding, high-net-worth and participating fund mutualisation, cyber security, fraud management strategy and etc.

Annually, the directors are given updates on key HSBC Group policies. At scheduled Board and Board Committee meetings, directors are briefed on matters relating to business, risk management and relevant regulatory updates.

The Board is of the view that the regular updates and training programme for 2025 have met the objective of equipping directors with the appropriate knowledge to discharge their responsibilities.

Key appointment holders

The following changes to the Board took place in 2025 and up to the date of this report:

No.	Name	Change
1	Yap Chee Meng	Retired on 30 June 2025.
2	Professor Chia Kee Seng	Stepped down from Audit Committee on 30 June 2025. Remained as Risk Committee member.
3	Ng Wai Kin	Appointed as With-Profits Committee Chair on 1 January 2025 and as Audit Committee member on 30 June 2025.
4	Babak Nikzad Abbasabadi	Appointed as With-Profits Committee member on 1 January 2025.
5	Goh Geok Cheng	Appointed as With-Profits Committee member on 1 January 2025.
6	Zhang Kai	Appointed to the Board on 1 July 2025

During the year, the Chief Customer and Digital Officer stepped down and was replaced by the Chief Commercial Officer (combining the Chief Customer and Digital Officer and Head of Strategy roles into one leadership position), the Chief Operating Officer changed, and the Head of General Insurance stepped down from the Executive Committee while remaining in the role.

Re-appointment of directors

All directors are subject to re-election at each Annual General Meeting ("AGM"). In considering and recommending re-appointments, the Board assesses (i) the independence of each director, (ii) whether each Director remains a fit and proper person and qualified for office, (iii) each director's attendance record, time commitment and contribution, and (iv) the composition of the Board using an agreed skills matrix. The Board has assessed that each director is fit and proper and qualified for the office of director based on his/her profile, declaration of fitness and propriety, and contribution to deliberations at board and board committee meetings, as well as the results of vetting checks on him/her. Each director abstains from the Board's deliberation on his/her re-appointment.

Independence of directors

The independence of a director is determined based on the criteria set out in the CG Regulations and CG Guidelines. The CG Regulations provide that a director is considered independent if he is independent from management and business relationships and the substantial shareholder and if he has not served on the Board for a continuous period of nine years or more. In addition, the CG Guidelines provide that an independent director is one who is independent in conduct, character and judgement, and has no

relationship with the company, its related corporations, substantial shareholders or officers that could interfere or be reasonably perceived to interfere with the director's independent business judgement in the best interests of the company.

The Board's assessment of directors' independence and the bases of its assessment are as follows:

- (a) Edward Moncreiffe and Zhang Kai are non-independent non-executive directors. They are non-independent from substantial shareholders, namely (i) HSBC Plc, (ii) HSBC Asia Holdings Limited, (iii) HBAP, and (iv) INAH (collectively the "**Substantial Shareholders**");
- (b) Harpreet Bindra, who is the CEO of the Company and is connected to the Substantial Shareholders, is a non-independent executive director; and
- (c) Babak Nikzad Abbasabadi, Professor Chia Kee Seng, Goh Geok Cheng and Ng Wai Kin are independent non-executive directors. Each of them is independent from management and business relationships and from the Substantial Shareholders. Each of them is not currently employed by any HSBC company and has no immediate family members who are employed by the Company or any of its related corporations.

Except for Babak Nikzad Abbasabadi, all of them do not serve on the boards of other HSBC companies. The Board formed the view that Babak's directorships in two other HSBC companies have not impaired his independence and objectivity in the discharge of his duties as a director of the Company.

The Company complies with the CG Regulations, which require at least one-third of directors to be independent where a substantial shareholder holds 50% or more of the share capital of the voting power in an insurer incorporated in Singapore. The Company also complies with the CG Guidelines, which require independent directors to make up a majority of the board where the chairman is not independent. Each director abstains from the Board's decision on his/her independence.

Board performance

The Board performs an annual assessment of its own effectiveness as a whole and that of its committees as well as the performance of each director.

Each director evaluates the performance of the Board and each Board Committee based on a set of performance criteria adopted in the HSBC Group. The evaluation questionnaire covers areas such as the conduct of meetings, quality of risk management, adequacy of internal controls, and board culture and behaviour. The Company Secretary collates the responses in the questionnaire for the Board's deliberation. The assessment results are also used constructively to discuss improvement opportunities for the Board and Board Committees. In assessing the performance of individual directors, each director's contribution and time commitment are considered. No external facilitator was engaged for the evaluation process.

Based on each director's contribution and known commitments, the Board is of the view that all directors have performed their duties adequately and availed themselves to attend the Company's affairs, thereby contributing to the effectiveness of the Board and Board Committees. Each director abstains from the Board's deliberation on his/her performance.

REMUNERATION MATTERS (Principles 6 to 8, CG Guidelines)

The Company adopts the HSBC Group's remuneration policy - HSBC Remuneration Practices and Governance - which promotes sound and effective risk management and supports our business objectives. The Group's remuneration policy applies to all employees and sets out the details relating to the reward strategy and framework, which are reviewed on an annual basis by the remuneration committee ("**RemCo**") and the board of HSBC Plc.

The RemCo of HBAP oversees remuneration matters impacting HBAP and its subsidiaries including the Company, in particular for the adoption, implementation and operation of the Group's remuneration framework and satisfying itself that the remuneration framework complies with local requirements. HBAP as an Authorised Institution under the Banking Ordinance is required by the Hong Kong Monetary Authority's Supervisory Policy Manual CG-5 "Guideline on a Sound Remuneration System" (the "**Remuneration Guideline**") to assess whether their existing remuneration systems and policy are in line with the principles

in the Remuneration Guideline, independently of management. This review is undertaken annually. For the review completed in April 2025, Deloitte LLP confirmed that HBAP's remuneration strategy as adopted from the Group is consistent with the principles set out in the Remuneration Guideline. Deloitte has been commissioned to undertake the review for 2025/2026.

As allowed under CG Regulations, the Board of the Company performs the role of a remuneration committee, whose key responsibilities include reviewing (i) the remuneration framework of non-executive directors and key management personnel, and (ii) the remuneration packages for key management personnel.

Employee remuneration

The Company's approach to workforce reward enables a high-performance culture where colleagues are at their best and focused on excellent customer outcomes.

The Company's workforce reward principles and commitments guide the Company's approach, strengthen the ability to attract, retain and motivate the people needed and energise colleagues to perform at their best:

- We reward our colleagues responsibly through fixed pay security and protection through core benefits, a competitive total compensation opportunity, pay equity, and a more inclusive and sustainable benefits proposition over time.
- We recognise colleagues' success through our performance routines, including feedback and recognition, pay for performance, and all employee share ownership opportunities.
- We support our colleagues to grow through our proposition beyond pay, with a focus on future skills and development, support for well-being, and flexibility.

In 2024, the Company made significant changes to its approach to improve colleague experience and unlock its performance edge. The Company introduced performance routines to support more frequent exchange of feedback and implemented a 'Target Variable Pay' plan to help improve transparency on how it makes pay decisions. The year-end performance assessment was simplified to focus less on ratings and more on dialogue between managers and colleagues.

In 2025, the Company continued to evolve its approach and made enhancements based on the lessons learned from the first year of implementation. The Company continued to improve its well-being and recognition offering, which help motivate employees to perform at their best.

The Company's approach to workforce reward forms part of its broader employee value proposition and helps to retain and engage the leaders and people it need to execute the strategy.

Country senior management is responsible for the execution of the Group's policy and ensuring the Group principles are followed, and the effectiveness of the decision-making is reviewed through various in-country forums and through business lines including the senior management review during the annual pay and performance process to ensure a consistent and equitable approach.

The Company undertakes an annual performance and pay review to ensure that the remuneration policy does not create incentives for excessive risk-taking, and the aggregated recommendations for employees are presented to the Board for review annually.

Level and mix of employee remuneration

In line with Group's remuneration policy, the Company focuses on both external benchmarking and internal equity.

For external benchmarking, market benchmarks are obtained to provide an indication of the range of pay levels and employee benefits of competitors. In addition, when making pay decisions, the Company takes into account the individual's and the Group's performance in any given year. An individual's pay will vary depending upon their performance. Remuneration includes fixed pay, variable pay, retirement plan, benefits in accordance with local market practice/prevalence, as well as long-term incentives.

Total reward, consisting of fixed pay, variable pay, retirement plan and benefits, is the key focus of the Company's remuneration framework. Total compensation comprises fixed pay and variable pay (namely annual incentive and long-term incentives), which is differentiated by performance and adherence to HSBC values.

Where employees are eligible to be considered for a discretionary variable pay award, the amount will be determined based on overall Group affordability, any adjustment relating to recognition and conduct, individual performance and adherence to HSBC values.

The Company adopts a minimal share deferral policy on variable pay (starts from 10%) to which Malus applies. This is in addition to the Group's Material Risk Taker ("MRT") Policy which includes a higher variable pay deferral (40% or 60%). Following removal of the 2:1 variable to fixed pay cap by the UK's Prudential Regulatory Authority and Financial Conduct Authority, the Group RemCo has put in place a maximum variable to fixed pay ratio of 10:1. All Group MRT awards are subject to Malus and Clawback. A local MRT policy has also been implemented for senior managers and material risk personnel identified under the MAS Guidelines on Individual Accountability and Conduct.

In principle, generally a higher proportion of the total compensation for senior managers is delivered in variable pay and will be more closely aligned to HSBC Group and business performance as seniority increases. All awards are subject to Malus and awards granted to employees identified as MRTs are subject to Clawback.

More details of the Bank's remuneration strategy are contained within the Annual Report and Accounts for HSBC Holdings plc, and further referenced in the HSBC remuneration practices and governance: <https://www.hsbc.com/who-we-are/esg-and-responsible-business/governance/remuneration>.

Remuneration of key executives

As set out above, the Company's remuneration is aligned to HSBC Group's remuneration policy and practices. The Group including the shareholder has full knowledge of the remuneration of the Company's executive directors, non-executive directors employed in the HSBC Group and top five key executives.

The Board is of the view that given the sensitive and confidential nature of employee remuneration, detailed disclosure on the remuneration of the CEO and the top five key executives (who are not directors or the CEO) is not in the best interests of the Company. Since the Company is a wholly-owned subsidiary in the HSBC Group, providing such remuneration details will prejudice the Company's interests in relation to its competitors, given the highly competitive environment in the financial industry where poaching of executives is commonplace.

There is no employee of the Company who is an immediate family member of a director or the CEO and whose remuneration exceeds SGD100,000 during 2025.

Remuneration of directors

The remuneration for independent non-executive directors takes into account responsibilities and effort and time spent, and is in line with the HSBC Group's remuneration framework for independent directors:

Basic annual retainer fee	Amount
Board	SGD70,000
Additional Chair fee for:	
Audit Committee	SGD18,000
Risk Committee	SGD18,000
With-Profits Committee	SGD16,200
Additional member fee for:	
Audit Committee	SGD12,000
Risk Committee	SGD12,000
With-Profits Committee	SGD10,800

Executive directors and non-executive directors employed in the HSBC Group do not receive any fee and other remuneration for their service as directors of the Company. Such directors receive remuneration in their capacity of employees in the HSBC Group and employee remuneration is decided in line with HSBC Group's remuneration policy.

No disclosure is made on directors' interests in HSBC Plc shares as there are no public shareholders of the Company whose interests need to be protected through the disclosure of the directors' interests. In addition, in the case of executive directors and non-executive directors employed in the HSBC Group, share options and discretionary awards of shares granted to them are considered part of their remuneration package and,

as mentioned above, such disclosure would prejudice the Company's interests in relation to its competitors.

Board committee composition

The Audit Committee and the Risk Committee have been constituted in accordance with the CG Regulations and CG Guidelines. The With-Profits Committee was established on 1 January 2025 to oversee the management of the Participating and Universal Life business. The members and duties of each Board Committee can be found on subsequent pages.

With-Profits Committee

As at the date of this report, the With-Profits Committee comprises Ng Wai Kin (Chair), Babak Nikzad Abbasabadi and Goh Geok Cheng, all of whom are independent non-executive directors.

The With-Profits Committee assists the Board to, among other responsibilities:

- (a) review and monitor the risks undertaken in relation to Participating and Universal Life funds, and assess whether an appropriate level of risk is taken on behalf of policyholders in relation to the return offered;
- (b) review the investment performance of Participating and Universal Life funds;
- (c) review dividend recommendations for Participating policyholders; and
- (d) oversee relevant communications to policyholders.

The committee considers the interests of Participating and Universal Life policyholders and the equity fairness between policyholders and shareholders in its deliberations and recommendations to the Board.

The finance function, specifically its actuarial team, performs the role of the committee secretary.

ACCOUNTABILITY AND AUDIT (Principles 9 to 10, CG Guidelines)

Risk Committee

As at the date of this report, the Risk Committee comprises Goh Geok Cheng (Chair), Babak Nikzad Abbasabadi, Professor Chia Kee Seng and Ng Wai Kin. All Risk Committee members independent non-executive directors, are appropriately qualified to discharge their responsibilities and have the relevant technical financial expertise in risk disciplines or business experience. The Board has not appointed any non-director with specific expertise to the Risk Committee.

The Risk Committee oversees risk-related matters and risk governance. The responsibilities of the Risk Committee include:

- (a) reviewing the risk management framework, risk appetite framework and risk appetite statement;
- (b) assessing the risk profile of the Company and how the risks arising from the Company's businesses are controlled, monitored and mitigated;
- (c) reviewing the effectiveness of the Company's conduct framework designed to deliver fair outcomes for customers; and
- (d) reviewing and satisfying itself that the Company's stress testing framework, governance and related internal controls are robust.

The risk management section of this report contains more information on the work overseen by the Risk Committee and the Board.

The CRCO reports functionally to the Risk Committee and is responsible for the day-to-day operations of risk management and compliance functions. The Risk Committee has received assurance from the CEO and CRCO that the Company's risk management and internal control systems were adequate and effective for the year under review, except for those items brought to the committee's attention.

Together with the Audit Committee, the Risk Committee assists the Board in discharging its oversight

responsibility relating to risk management and internal controls. The Risk Committee meets with the CRCO twice a year without the presence of other Management.

Audit Committee

As at the date of this report, the Audit Committee comprises Babak Nikzad Abbasabadi (Chair), Goh Geok Cheng and Ng Wai Kin. All Audit Committee members are independent non-executive directors and have recent and relevant accounting or related financial management expertise or experience.

The Audit Committee oversees matters relating to financial reporting and internal controls, including the following:

- (a) financial statements and changes to significant accounting policies and disclosure practices;
- (b) the effectiveness of internal control systems;
- (c) the appointment or removal of the Head of Internal Audit;
- (d) the appointment, re-appointment, removal and remuneration of the external auditors;
- (e) the effectiveness, performance, resourcing and independence of the internal audit function;
- (f) the independence and objectivity of the external auditors, the quality and effectiveness of audits, and the scope and results of audits; and
- (g) whistleblowing.

Through updates and briefings by Management and the external auditors, the Audit Committee members keep abreast of changes to accounting standards and issues which have a direct impact on financial statements.

The Audit Committee meets with the external auditors and with the Head of Internal Audit, in separate sessions and without the presence of Management, at least once a year, to ensure that there are no unresolved issues or concerns. It also undertakes or considers on behalf of the Chair or the Board such other related tasks or topics as the Chair or the Board may from time to time entrust it to.

More information on the work performed by the Audit Committee is set out in the sections below on the external and internal auditors, whistleblowing and related party transactions.

External auditors

The external auditors have unrestricted access to information and provide regular reports to the Audit Committee. The Audit Committee reviews the assistance given by Management to the external auditors. The external auditors present their audit plan for the Company, the results of their audit and their evaluation of the Company's internal accounting controls to the Audit Committee for review. The Audit Committee reviews the key audit issues presented by the external auditors, the external auditors' approach to providing reasonable assurance that the financial statements are free from material misstatements and adequacy of internal controls relevant to the audit.

The Audit Committee ensures that the external auditors promptly communicate to it any information regarding internal control weaknesses, deficiencies or other relevant matters. The status of any corrective action arising from material findings in the external auditors' report is tracked by the relevant function and reported at the Audit Committee meetings until such findings have been addressed conclusively.

The Audit Committee has reviewed and recommended to the Board the re-appointment of the external auditors at the 2026 AGM and the remuneration of the external auditors for the audit of the financial statements for 2025. In its review, the Audit Committee has considered the external auditors' independence, objectivity, experience and adequacy of resources, the work performed by the external auditors, the external auditors' self-assessment which includes its confirmation of independence, and the fees for audit and non-audit services provided by the external auditors. The Audit Committee is satisfied that the nature and extent of non-audit services have not prejudiced the external auditors' independence and objectivity in the audit of the Company for the financial year 2025. The external auditors' remuneration is disclosed in the financial statements for the year ended 31 December 2025.

The Audit Committee meets with the external auditors at least once a year without the presence of Management.

Internal auditors

The Singapore-based Internal Audit (“**SG GIA**”) team established by the Global Internal Audit (“**GIA**”) function oversees internal audit matters and has a primary line of reporting to the Audit Committee. The Audit Committee approves the appointment and removal of the Head of Internal Audit and evaluates the performance of the Head of Internal Audit annually, the results of which are considered in the annual pay review.

The SG GIA ultimately reports to the Global Head of Audit for Wealth & Personal Banking, who is a member of the Global Internal Audit Operating Committee (“**GIA OpCo**”). The Chair of the GIA OpCo is the Group Head of Internal Audit who reports functionally to the Chair of the Group Audit Committee and administratively to the Group CEO. The Group Head of Internal Audit is also a member of the HSBC Group Operating Committee. Based on this structure, the internal audit function is independent of the Company’s Management and has appropriate standing within the Company.

GIA adheres to The Institute of Internal Auditors’ (“**IIA**”) mandatory standards including the definition of internal auditing, the Code of Ethics and the International Standards for the Professional Practice of Internal Auditing. In addition, GIA complies with practice advisories, practice guides and recommendations issued by the IIA to the extent that these apply. The SG GIA adopts the GIA standards.

The SG GIA follows a risk-based methodology in determining audit needs and formulating an annual plan of audit. SG GIA works in close coordination with GIA to ensure audit coverage is sufficient for the Company and from HSBC Group’s perspective.

Accountabilities of the internal audit function include the development and execution of a risk-based annual audit plan, covering key risks, emerging risks, horizon risks and regulatory obligations, in line with the Group’s risk management and internal control frameworks. In accordance with its charter, the primary role of GIA is to help Management to protect the assets, reputation and sustainability of the HSBC Group. GIA provides independent, risk-based and objective assurance and advisory services as to whether the design and operational effectiveness of the Group’s framework of risk management, control and governance processes, as designed and represented by Management, is adequate.

The Audit Committee reviews the adequacy and effectiveness of the internal audit function including whether it has adequate resources to fulfill its duties. Resources are regularly assessed for adequacy and requirements are raised to the attention of regional/global audit management. Given the existing model of coverage of the Company by GIA, the budget of the internal audit function is approved by the Group Audit Committee.

The Audit Committee reviews the internal audit plan and progress against the plan. The Audit Committee may also direct the SG GIA function to perform specific reviews. The internal audit plan is reviewed on a periodic basis and any change to the plan is discussed with and reviewed by the Audit Committee. On a quarterly basis, SG GIA reports to the Audit Committee on all completed and upcoming audits as well as the material findings from audits conducted. The Audit Committee reviews the performance of SG GIA annually, and is satisfied that the internal audit function is independent, adequately resourced and effective in discharging its responsibilities.

SG GIA has direct and unfettered access to the Board, Audit Committee and Management to carry out its functions.

Whistleblowing

The Company has adopted the HSBC Group’s whistleblowing procedures that enable employees to escalate concerns or known violations of company ethics or workplace policies. In the very rare circumstances when an employee witnesses or experiences a possible incident of alleged wrongdoing or violation of company policy, they can report it to their manager, Human Resources or Compliance where appropriate, or raise it on HSBC Confidential, a portal for employees to raise such issues in confidence, without fear of retaliation. The Audit Committee reviews the whistleblowing policy annually, and whistleblowing reporting is a standing item on the agenda of Audit Committee meetings.

Risk management

HSBC's Risk Management Framework ("**RMF**") describes the approach to managing risk and applies to all types of risks. Risk management starts with a strong risk culture, clear accountability and a formally defined risk appetite that articulates the level and types of risk that are acceptable to achieve our strategic objectives. Risk appetite shapes our requisite controls and dictates behaviors. We identify risks to our business and assess materiality by considering their likelihood and potential customer, financial, reputational and regulatory impacts. The risks are aggregated and reported to highlight material risks and support good decision-making. Where necessary, risks are escalated to senior management and risk governance committees to facilitate management decisions, challenge and remediation.

Day-to-day risk management activities are the responsibility of senior managers of individual businesses, supported by global functions as described under the "Three Lines of Defence" model. The model delineates management accountabilities and defines who is responsible to do what to identify, assess, measure, manage, monitor and mitigate risks, encouraging collaboration and enabling efficient coordination of risk and control activities.

The Company uses three key risk management tools to promote strong enterprise-wide risk management: Risk Appetite Statement ("**RAS**"), Risk Map, and Stress Testing. The risk appetite profile and Risk Map provide information on our current and projected Risk Profile for awareness and to inform decision-making. Stress Testing provides information on the risk landscape that could impact our Risk Profile. Enterprise Risk Reports generated by these tools are provided to the Risk Management Meetings ("**RMM**") and routinely to the Board for information. These consistent and integrated standard reports are used at the RMM to ensure appropriate monitoring and cascading of information is achieved.

As required under the MAS Guidelines on Risk Management Practices – Board and Senior Management, the Board has approved a RAS and RMF for the Company. An update on the effectiveness of risk management is provided to the Risk Committee annually with an overview of governance structure, framework for managing enterprise-wide risks and capacity and capability of resources within the functions to fulfill these responsibilities. Moreover, the CRCO presents a report to the Risk Committee at every meeting which, in addition to updates on the management of various financial and non-financial risks, provide insight into the effectiveness of internal controls.

Financial risks are the risk of a financial loss as a result of business activities. These are actively managed to maximise shareholder value and profits whilst considering treasury risk, wholesale credit risk, traded risk and strategic risk.

Non-financial risks are the risk of loss resulting from people, inadequate or failed internal processes, data or systems or external events. These arise due to day-to-day operations while taking financial risks and include financial reporting and tax risk, resilience risk, financial crime risk, people risk, regulatory compliance risk, legal risk and model risk.

All risks typically have a risk steward at the entity, country, regional and global levels who is accountable for the holistic assessment and oversight of that risk. The responsibility of the risk steward includes defining and implementing the more detailed day-to-day approach of managing the specific risk. Further, the accountability of the risk steward includes assessment and oversight of climate risk, and working with businesses to ensure appropriate climate risk frameworks are embedded.

The Own Risk and Solvency Assessment is a key risk management tool assessing the overall solvency needs of the Company considering its business operating plan both in a base case and various stress cases. The assessment has regard to the Company's business plan, its overall strategic plan and the Company's view of the key risks it is facing, both now and in the future together with the controls or risk mitigations against these risks.

Internal control and risk management system

There are established processes in place to escalate and report material incidents or breaches. The processes ensure that the relevant Board Committee or the Board receives timely and appropriate reports and is able to oversee any follow-up action.

The Audit Committee has received assurance 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 Company's operations and finances.

Based on the internal controls and risk management processes maintained by the HSBC Group and

following assessments from, and Management's assurance received through, the Audit Committee and Risk Committee, the Board is of the opinion that the system of internal controls, including financial, operational, compliance and information technology controls, and risk management systems were adequate and effective as at 31 December 2025 to address the risks which the Company considered relevant and material to its operations. The system of internal controls and risk management provides reasonable, but not absolute, assurance that the Company will not be adversely affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. The Board notes that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud and other irregularities.

SHAREHOLDER RIGHTS AND ENGAGEMENT (Principles 11 to 12, CG Guidelines)

There is effective communication between the Company and the sole shareholder, which is entitled to participate in decisions concerning key corporate changes such as any appointment to the Board and Board Committees and any amendment to the Company's constitution.

Annual General Meeting

The Company holds its AGM within six months after the financial year end. Each proposal is tabled as a separate and distinct resolution. The AGM is deemed held pursuant to Section 179(6) of the Companies Act 1967.

As the Company has only one shareholder, the constitution of the Company does not provide for voting in absentia via mail or electronic means. The minutes of the AGM are not published on the Company's website but are available to the shareholder upon request.

Dividend payment

The Company is committed to paying sustainable dividends that will enhance long-term shareholder value. When determining a dividend payout from the profits available for distribution, the Board takes into account regulatory capital requirements and other business needs.

Shareholder communication

There is no investor relations policy in place as the Company is a wholly-owned subsidiary. The sole shareholder is kept abreast of the Company's development through regular reports provided and through established channels of communication between the Board and the shareholder.

ENGAGEMENT WITH STAKEHOLDERS (Principle 13, CG Guidelines)

The Company maintains a corporate website which provides current information on the Company. The corporate websites of the Company and the Group are used to communicate and engage with stakeholders. The Group website contains information on the Group's (i) purpose, values and strategy; and (ii) sustainability commitment.

RELATED PARTY TRANSACTIONS (Additional CG Guidelines)

Policies on material related party transactions are established at HSBC Group level for all HSBC entities. Group policies mandate that intra-Group transactions are conducted on an arm's length basis. The Company also complies with the local regulatory requirements. The Board has delegated to the Audit Committee the responsibility of reviewing material-related party transactions and any write-off which are above the material threshold approved by the Board. All related party transactions are conducted on reasonable commercial terms and carried out on an arm's length basis, and are disclosed in note 26 to the financial statements for the financial year 2025.