

Corporate Governance

The UOB Board views good corporate governance as fundamental to the creation, protection and enhancement of the value of the Bank, and to achieving sustainable growth. We aim to set the right tone and to nurture a culture that is entrepreneurial and yet risk-focused, and safeguards the long-term interests of our stakeholders, while remaining fair and accountable in our activities and practices.

We are pleased to report that we have complied with the Banking (Corporate Governance) Regulations (Banking Regulations) and all material aspects of the Guidelines on Corporate Governance for Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are incorporated in Singapore (MAS Guidelines). The MAS Guidelines comprise the Code of Corporate Governance (Code) for companies listed on the Singapore Exchange Securities Trading Limited (SGX-ST), and supplementary principles and guidelines added by the Monetary Authority of Singapore (MAS). Please see pages 103 to 105 for a quick reference to the discussions pertaining to the respective guidelines.

BOARD MATTERS

(Principles 1 to 6, MAS Guidelines)

Board Duties

The Board is responsible for:

- providing strategic direction, entrepreneurial leadership and guidance;
- approving business plans and annual budgets;
- ensuring that financial statements are true and fair;
- monitoring financial performance;
- determining capital/debt structure;
- setting dividend policy and declaring dividends;
- approving major acquisitions and divestments;
- reviewing risk management framework and system;
- overseeing the performance of Management;
- setting company values and standards;
- considering sustainability issues in formulating strategies; and
- ensuring succession planning.

The Board is diverse and harnesses the range of deep skills, expertise, experience and insights of its members in the discharge of its duties. With regular reports and updates on the Bank's performance, operations as well as business and governance initiatives, and in working closely with Management, the Board has been able to make decisions that are progressive and forward-looking and which uphold the values of the Bank.

The Board and Management review the strategy of the Group regularly. In the 2016 review, the Board and Management sharpened the strategic focus of the Group. The review involved participation by the Board in a workshop and a series of discussions and presentations, and drew on the directors' extensive experience, knowledge and insight. A Board retreat was also held during which the Board and Management shared ideas, views and perspectives and reviewed strategic priorities. The Board also guided Management on capital management strategies in light of evolving and anticipated regulatory requirements and actively supported Management's efforts to tap technology and venture into financial technology (FinTech). Please refer to the Customers section of this report for more information on our FinTech activities.

Board Delegation

While the Board is collectively responsible as steward of the Bank, it recognises the efficiencies and benefits of specialisation. Hence, it has delegated certain duties to six Board Committees, namely the Strategy Committee (SC), Board Credit Committee (BCC), Nominating Committee (NC), Remuneration Committee (RC), Board Risk Management Committee (BRMC) and Audit Committee (AC). For a sharper focus on strategy and credit matters, the former Executive Committee (EXCO) was re-constituted into the SC and BCC in February 2016. To ensure good coordination and to benefit from the counsel of all directors, each Board Committee provides a report of its activities and the minutes of its meeting to the Board at least quarterly.

The roles and responsibilities of each Board Committee are well-defined in their respective terms of reference. These are reviewed annually for continued relevance. Among other things, the terms of reference also set out the operating processes of the Board Committees, including decision-making by the Board Committees.

Key Processes

Board and Board Committee meetings and the annual general meeting (AGM) are scheduled in advance and all directors are notified well before the start of the calendar year. When circumstances warrant it, ad-hoc meetings are held. To help directors access meeting materials as soon as they are available, papers are uploaded onto a secure portal, and directors can read from their tablet devices wherever they are. A director who is unable to attend a meeting in person may participate via telephone and/or video conference (as provided for in the UOB Constitution) or convey his/her views through another director or the company secretary.

The Board and Board Committees seek to make decisions by consensus. Where there is a divergence of views, decisions are made by majority vote. Decisions may also be made by way of circular resolutions. All deliberations and decisions of the Board and Board Committees are minuted and filed.

Managing Potential Conflicts of Interests

All directors must notify the Bank in a timely manner of any change in their interests or other appointments. Where a director has an interest in a matter being discussed, he/she is required to recuse himself/herself from the discussion and abstain from voting on the matter. Directors' direct and deemed interests in shares and debentures of the Bank and its related corporations are disclosed in the Directors' Statement section of this report.

Board Attendance

Directors' attendance at formal meetings in 2016 is set out in the table below. Apart from the formal meetings recorded in the table, directors have also spent time in discussions among themselves and with Management.

Name of director	Number of meetings attended in 2016								
	AGM	Board	EXCO*	SC*	BCC*	NC	RC	BRMC	AC
Hsieh Fu Hua	1	6 / 6	1 / 1	6 / 6	2 / 2	4 / 4	5 / 5	4 / 4	–
Wee Cho Yaw ¹	1	6 / 6	1 / 1	4 / 6	2 / 2	3 / 4	1 / 1	4 / 4	–
Wee Ee Cheong	1	6 / 6	1 / 1	5 / 6	2 / 2	²	–	4 / 4	–
Wong Meng Meng ³	1	6 / 6	–	–	–	3 / 4	–	2 / 3	–
Franklin Leo Lavin	1	6 / 6	1 / 1	5 / 6	–	4 / 4	–	–	–
Willie Cheng Jue Hiang	1	6 / 6	–	–	–	4 / 4	–	–	4 / 4
James Koh Cher Siang	1	6 / 6	1 / 1	6 / 6	–	–	5 / 5	–	4 / 4
Ong Yew Huat	1	6 / 6	–	–	2 / 2	–	–	4 / 4	4 / 4
Lim Hwee Hua ⁴	1	6 / 6	–	–	2 / 2	3 / 3	4 / 4	1 / 1	–
Number of meetings held in 2016	1	6	1	6	2	4	5	4	4

* The EXCO was re-constituted into the SC and BCC on 15 February 2016.

1. Dr Wee Cho Yaw stepped down from the RC on 15 February 2016.

2. Mr Wee Ee Cheong is the alternate member to Dr Wee Cho Yaw on the NC.

3. Mr Wong Meng Meng was appointed to the BRMC on 15 February 2016.

4. Mrs Lim Hwee Hua was appointed to the NC on 10 March 2016. She joined the RC and stepped down from the BRMC on 15 February 2016.

Board Independence, Composition and Diversity

The Board currently comprises nine members. Annually, the NC assists the Board to review each director's independence according to the criteria in the Banking Regulations. Based on the criteria, a director is independent if the director:

- is independent from substantial shareholders of the Bank;
- does not have management and business relationships with the Bank; and
- has not served on the Board for nine continuous years or more.

In its review, the NC considers each director's disclosures of his/her other appointments, interests or personal circumstances, the business and financial relationships between the Bank and each director (if any), and each director's responses in a questionnaire. The questionnaire contains a series of questions that is designed to assess a director's independence based on the criteria for independence in the Banking Regulations and MAS Guidelines.

The NC has determined that six directors are independent and two are non-independent. The independent directors are Messrs Hsieh Fu Hua, Franklin Leo Lavin, Willie Cheng Jue Hiang, James Koh Cher Siang and Ong Yew Huat and Mrs Lim Hwee Hua, unchanged from last year. Messrs Wee Cho Yaw and Wee Ee Cheong are non-independent directors as they are substantial shareholders of the Bank. Mr Wee Ee Cheong is also the Chief Executive Officer (CEO) of the Bank. Mr Wong Meng Meng was not part of the latest assessment as he had indicated that he would not be seeking re-election upon his retirement at the conclusion of the 2017 AGM. The NC had assessed in 2016 that based on the criteria in the Banking Regulations, Mr Wong Meng Meng is non-independent as he had served for more than nine continuous years on the Board.

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Except for Mr Wee Ee Cheong, all Board members are non-executive directors.

The Board has professional, gender, geographical and ethnic diversity and a wide range of experience. Two of the directors are substantial shareholders and career bankers. Several directors have experience in public administration or have managed large commercial organisations. Among the directors are entrepreneurs and several are active in the non-profit and philanthropic sector. They bring their wealth of experience in interacting with a good cross-section of society. Each has his/her unique qualities that broaden the quality of the Board.

The personal profiles of the Board members are in the Board of Directors section of this report. Together, the directors' skills and expertise span banking, accounting, management, law and corporate governance, providing core competencies that are relevant to the Bank's business. Having reviewed each director's profile and self-assessment based on the MAS Fit and Proper Criteria, the NC has assessed that each director remains fit and proper and qualified for office. Each NC member recused himself/herself during the NC's deliberation.

The NC will continue to assess the needs of the Bank in terms of the size of the Board and the skills and expertise required to help build a sustainable business.

Board Chairman and Chief Executive Officer

The Board Chairman, Mr Hsieh Fu Hua, is an independent director. He provides leadership on the Board, approves the meeting agenda of the Board, ensures that directors receive timely and comprehensive information for them to discharge their duties, promotes an open environment for constructive debate at meetings, facilitates collaboration between the Board and Management and oversees corporate governance matters. He also plays an active role in ensuring that the continuous development programme for directors is relevant and appropriate. During general meetings, he fosters open dialogue among shareholders, the Board and Management. Sitting on all the Board Committees (save the AC), the Board Chairman has a good overview of the activities of all Board Committees and is able to guide the Board and the Board Committees to better performance. Although he is not a member of the AC, he sits in at most of its meetings. He also receives regular briefings from the CEO and Senior Management.

Mr Wee Ee Cheong, the CEO, leads the management team, implements the Board's decisions, and promotes a values-based culture and an environment that is conducive to professional and personal development and community-building. Assisted by Senior Management, the CEO bears executive responsibility for the Bank's day-to-day operations and business, including seeking business opportunities and ensuring the continued relevance, adequacy and effectiveness of the Bank's system of

internal controls and risk management. During the year under review, the CEO spearheaded various initiatives which included the digital transformation of the Bank and innovative and integrated financial solutions to serve the needs of consumers and businesses and to improve customer experience. He also led staff development and community engagement programmes.

As the Chairman is independent, non-executive and unrelated to the CEO, and the Board comprises a majority of independent directors, there is no need to appoint a lead independent director.

Time Commitment and Performance

Each year, the directors individually perform a confidential assessment of the Board as a whole and the Board Committees, and a self-assessment of his/her own performance. All comments are taken into account when the NC evaluates the performance of the Board and Board Committees and each director.

Factors considered in appraising the Board include the Board's organisation, responsibility for the Bank's strategy, succession planning, risk management and internal controls as well as the Bank's performance. Board Committees are assessed on the fulfilment of the terms of reference, conduct of meetings and accountability to the Board. The evaluation of each director comprises the following:

- attendance and performance at the AGM and the Board and Board Committee meetings;
- assessment in the questionnaire on preparedness for meetings, participation and contribution to board decisions, clarity in communication and strategic insight, among others; and
- skills, experience and other appointments held.

The directorships and principal commitments of each director are disclosed in the Board of Directors section of this report. From each director's disclosures of his/her other appointments at least quarterly, the NC is able to monitor the director's known commitments and to assess his/her availability to commit time to the affairs of the Bank. During the year, several directors had also reduced their other commitments. Based on each director's known commitments and his/her contribution, the NC is satisfied that all directors have carried out their duties adequately, contributing to the effectiveness of the Board and Board Committees. The directors had demonstrated their commitment to the Bank and availability to attend to the affairs of the Bank, both at formal meetings and informally. Directors also showed their support at various bank events such as our Corporate Day. The NC therefore does not recommend setting a limit on the number of directorships that a director may hold.

Selection Process, Appointment and Re-election

The Board had previously determined that increasing the board size would be beneficial to the Bank. Some factors underpinning the decision include the pace at which the operating environment is evolving, technological advancement and the increasing regulatory burden on banks. Under the leadership of the NC chairman, the NC mapped the skill-sets and expertise currently available on the Board against an ideal framework, so as to identify the additional skills required. These included finance, technology, strategic planning and human resource management. All directors were then invited to nominate candidates who were shortlisted for further assessment by the NC. With the concurrence of the Board, the NC chairman initiated discussions with the shortlisted candidates as appropriate. All appointments are subject to the approval of the MAS.

Board succession planning is critical to the long-term success of the Bank and sustainability of its business. Hence, the NC is working to ensure that there is a pipeline of critical skills following the retirement of directors.

Other relevant factors considered by the NC in its assessment included the candidates' independence under the Banking Regulations, competencies, qualification for office, personal attributes such as integrity and financial soundness, and ability to commit time and effort to perform board duties.

As provided in the Bank's Constitution, one-third of the directors retire from office by rotation at the AGM every year. In nominating directors for re-election, the NC considers several factors including each director's performance and the Board's composition and diversity. New directors must also submit themselves for re-election at the first AGM following their appointment to the Board and thereafter, at least once every three years. Resolutions 6 to 7 in the Notice of AGM relate to the re-election of directors at the forthcoming AGM.

Induction and Continuous Development

Whenever a new director is appointed, he/she will, as part of the induction, meet with key senior executives and receive briefings on the key areas of the Bank's business and risk management. Each new director also receives an induction package which contains, among other materials, the articles of directorship which enumerate a director's general duties and obligations, terms of reference of the Board and Board Committees, guidance on directors' duties and relevant company policies.

The continuous development programme for directors is refined regularly. New and existing directors receive appropriate training on a continuing basis under the programme, which takes into account the Bank's risk profile, business operations and business strategy. Directors attend external programmes, such as those organised by the Singapore Institute of Directors, and in-house training conducted by internal or external subject-matter experts.

In general, two half-days are set aside each quarter for the directors' continuous development as well as business reviews held in conjunction with the formal board meetings. In addition, training sessions are arranged on specific topics for Board or Board Committee members.

The programme covers technical skills as well as UOB-centric topics. Topics covered in 2016 included credit risk measurement and approval, market outlook (general and industry), cyber security and the Bank's governance, risk and compliance system. Sessions on financial reporting standards, regulatory capital, anti-money laundering regulations, FinTech and market outlook were conducted by external subject-matter experts. The Bank also organised sessions for directors to discuss business and strategy issues with key senior executives, as well as an on-location review of the Group's Greater China strategy in Hong Kong. During the onsite visit, the Board also had the opportunity to meet major clients. The programme in 2016 met the objective of equipping directors with the relevant knowledge to perform their duties.



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Leadership Succession

UOB has established programmes to identify employees with potential and nurture them through career development opportunities for senior management positions. The development programmes are monitored for continuing relevance and effectiveness.

During the year, the NC reviewed the succession planning process for senior management positions and guided Management in refining the approach for a more structured process towards building a pool of qualified banking experts and supporting professionals. In particular, the refined process will help the Bank to identify early and to groom employees with potential for a paced development programme, depending on the needs of the Bank. Candidates may be paired with mentors or given opportunities to hone their leadership skills. Where appropriate, cross-functional training and regional exposure may be offered. In the event that there is no suitable internal candidate, the Bank would look to external recruitment.

The management positions closely monitored by the NC include the top management positions at the head office and the heads of the overseas banking subsidiaries and branches, in particular the CEO, chief financial officer (CFO) and chief risk officer (CRO) whose appointments are subject to the approval of the MAS. In addition to appointments, the NC also reviews the reasons behind senior executive resignations, all towards ensuring that the Bank continues to be able to attract, to motivate and to retain talent.

Access to Information

Directors have unfettered access to Senior Management, the external auditor and information for the purpose of carrying out their duties. Prior to a meeting, directors are provided with comprehensive and timely financial, strategic, risk management and operational reports for their deliberation and to enable them to make informed decisions. Senior executives are present at meetings to provide additional information or clarification as required. Where relevant, professional advisers may be invited to brief the Board or Board Committees.

Common membership in the Board Committees facilitates the sharing of information between relevant Board Committees and better coordination of the work among the Board Committees.

The Board is supported by the Secretariat team and has separate and independent access to the company secretaries. The appointment and removal of the company secretary are subject to the Board's approval. The company secretaries, who are qualified lawyers, support directors in discharging their responsibilities, advise directors on governance matters, help the Board to monitor the execution of its decisions and facilitate communication between the Board and Senior Management. The company secretaries also organise the induction of new directors and the directors' continuous development programme, and provide updates on applicable laws and regulations.

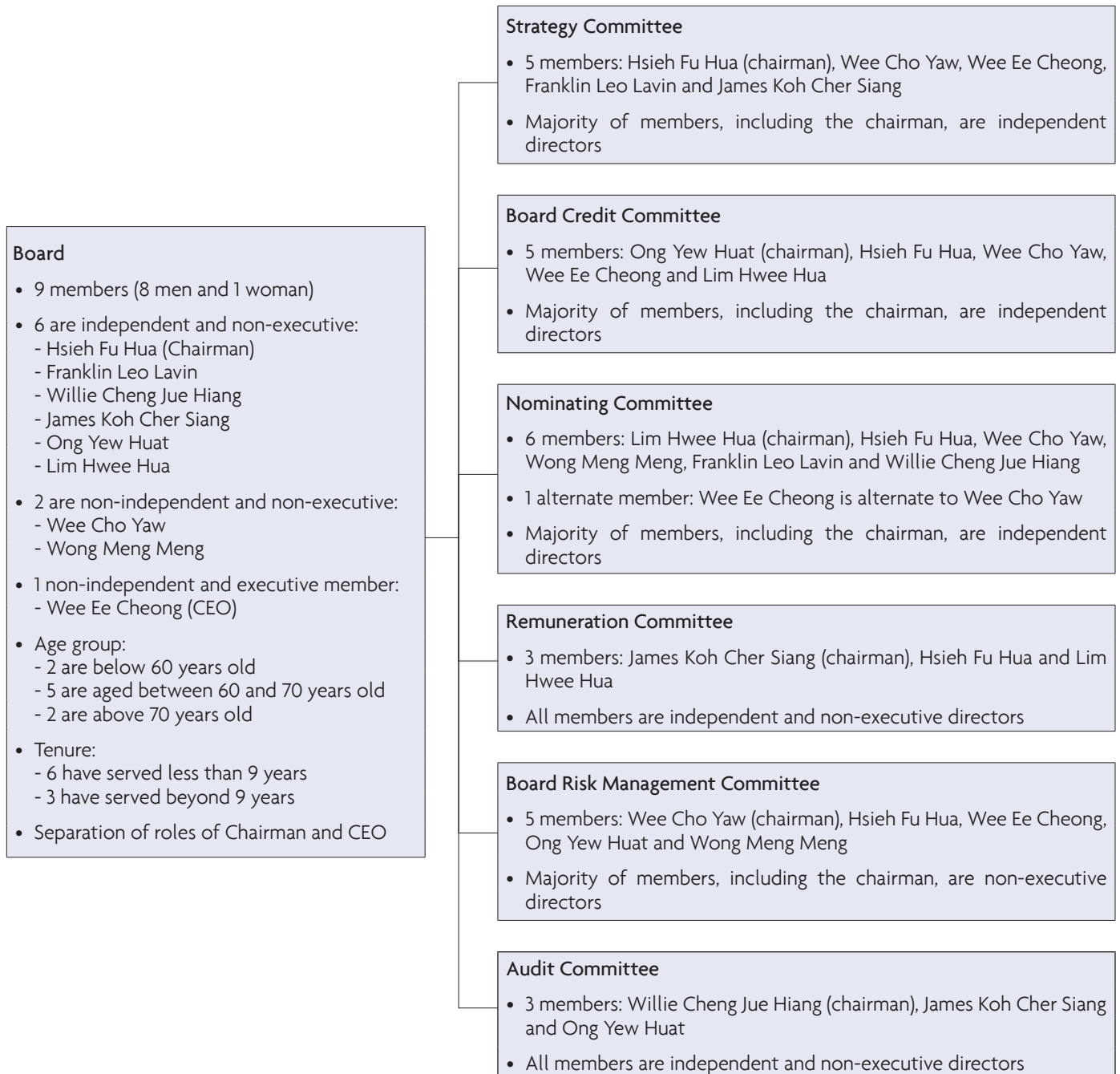
Whether individually or as a group, directors may seek independent professional advice in the course of discharging their duties at the Bank's expense.

Board Committee Composition

The NC, RC, BRMC and AC have been constituted in accordance with the Banking Regulations. Established in 2016 to oversee specific areas, the SC and BCC are not mandatory Board Committees. The roles and duties of each Board Committee are explained further in this section.

As the composition of the Board Committees was comprehensively reviewed in 2016, the NC has recommended, and the Board has agreed, that the composition of each committee remains unchanged in the interest of stability and to enable the Board Committees time to implement their plans. The Board also expects to appoint new directors in the near term as part of its renewal plans. Once the new appointments are made, the Board will review the composition of the Board Committees towards an equitable distribution of the responsibilities of directors and to optimise the collective expertise of the Board. A graphical representation of the current composition of the Board and Board Committees is set out on the next page.

Composition of Board and Board Committees



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Strategy Committee

The SC, which was established in 2016, oversees the Bank's strategies and related activities. Its responsibilities are to:

- assist the Board in providing strategic direction to the Bank and oversee the Bank's strategic plan and implementation;
- review medium- and long-term strategic objectives proposed by Management and oversee Management's performance in relation to the strategies;
- review, endorse and recommend the Bank's annual business plans, budget as well as the capital and debt structure in relation to the strategies;
- review the Bank's financial and operational performance in relation to approved budgets;
- consider sustainability issues in formulating strategies;
- deliberate on strategic matters which require Board review between Board meetings; and
- perform such other duties as the Board may delegate to it from time to time.

The SC is focused on ensuring that the Bank builds on its strengths, is mindful of the present and ready for the future and provides any support and counsel which Management may need. In 2016, the SC guided Management in sharpening the strategic focus of the Group as it reviewed the Bank's regional potential, growth thrust and technology roadmap. Other activities of the SC included reviewing capital management, budgeting, dividend matters and governance matters. For some of its meetings on bank-wide strategy, the SC invited the other directors to attend and contribute their perspectives.

Board Credit Committee

Assisting the Board in overseeing exposure to large credits, the BCC, which was also established in 2016, is responsible for:

- reviewing credit policies; and
- approving credit facilities within its limits.

The BCC's role requires it to be attuned to the economic developments and credit exposures of the Group on an ongoing basis. In addition to approving credit cases and setting policies, it monitors credit quality and advises Management on credit risk matters.

During the year under review, the BCC reviewed the credit discretionary limits for authorised parties to approve credit facilities. The exercise enhanced the efficiency of credit approvals while retaining an appropriate oversight role for the BCC. The BCC also reviewed credit facilities for specific borrowers such as related parties of director groups and substantial shareholder groups, and exposure to specific borrowers and industries. In addition to sharing its views and insights on market developments, it also guided Management on economic trends which have an impact on credit quality.

Nominating Committee

The main responsibilities of the NC are to:

- assess the independence of directors;
- review the size and composition of the Board and Board Committees;
- assess the performance of the Board and Board Committees and each director;
- recommend the appointment and re-election of directors;
- implement a development programme for the continuous education of directors;
- review the nominations and reasons for resignations of key management appointment holders including the CEO, CFO and CRO; and
- perform succession planning.

The appointment of NC members is subject to the approval of the MAS. The main activities of the NC are outlined on pages 87 to 90.

REMUNERATION MATTERS

(Principles 7 to 9, MAS Guidelines)

Remuneration Committee

The RC's main responsibilities are to:

- establish a remuneration policy and framework that is in line with the strategic objectives and corporate values of the Bank and prudent risk-taking;
- determine a level and structure of remuneration that is linked to the Bank's performance and long-term interest and which is reasonable and appropriate to attract, retain and motivate directors and key management personnel; and
- review and recommend the remuneration for directors and key management personnel.

The common membership of Mrs Lim Hwee Hua and Mr Hsieh Fu Hua on the RC and NC ensures that the work of the two committees is well coordinated and all relevant factors that have an impact on succession, remuneration and talent management are appropriately considered by the respective committees.

During the year under review, the RC reviewed the remuneration framework and policy for continued relevance, directors' remuneration and other remuneration-related matters. An external consultant, Willis Towers Watson, was appointed to review the CEO's compensation framework and the Executive Equity Plan's vesting criteria framework. As part of the regular review, Oliver Wyman and McLagan were engaged to review the Bank's compensation framework. Willis Towers Watson, McLagan and Oliver Wyman are independent and do not have any relationship with UOB or any director of the Bank. The RC's main activities are outlined on pages 93 to 94.

Directors' Remuneration

Non-executive directors are paid directors' fees, which comprise a basic fee for service on the Board and additional fees for service on Board Committees. Fees are pro-rated for directors who serve on the Board or Board Committee for less than a year. The RC reviews and recommends the level and structure of directors' fees which take into account the directors' responsibilities and the fee structure of comparable public-listed companies in the market.

No director is involved in deciding his/her remuneration. Non-executive directors do not receive options, share-based incentives or bonuses. Mr Wee Ee Cheong, an executive director, is remunerated as part of Senior Management and does not receive any fee for serving on the Board and Board Committees. As he is also a substantial shareholder, he does not participate in the Bank's share plans for executives.

A fee has been proposed for payment to Dr Wee Cho Yaw, the Chairman Emeritus and Adviser, in recognition of the advice which he provided to the Board and Management in the year under review.

The proposed fees for non-executive directors and Dr Wee Cho Yaw are subject to shareholders' approval at the AGM. Please see the Directors' Statement section of this report for more information on:

- the fee structure for non-executive directors; and
- directors' fees and other remuneration, including fees received as directors of subsidiaries.

Employees' Remuneration

The employee remuneration framework is designed to encourage behaviour that contributes to the Bank's long-term success while keeping remuneration competitive to attract, retain and to motivate employees and highly-skilled individuals. Remuneration is commensurate with employees' performance and contributions. The remuneration package comprises base salaries, performance bonuses, benefits and, where applicable, share-based incentives. Please refer to the Remuneration section of this report for more information on the Group's remuneration framework, policy and processes, including the remuneration mix and deferred remuneration for senior executives and employees. Details of the Bank's share-based incentive plans are set out in the Directors' Statement section of this report.



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The RC reviews the Bank's obligations arising in the event of the termination of Senior Management's service contracts to ensure that such contracts contain fair and reasonable terms of termination which are not overly generous, onerous or adverse to the Bank. The RC also approves the overall performance bonus, the share-based incentive plans and the remuneration of Senior Management based on the remuneration policy approved by the Board, taking into account the performance of the Bank. In approving the remuneration packages of the CEO and other members of Senior Management, the RC reviews their individual performance and contributions. The performance of and remuneration for the CRO and Head of Group Audit are reviewed and approved by the BRMC and AC respectively.

The Bank has decided not to disclose the remuneration of the top five non-director executives whether individually or in the aggregate. UOB believes that it is not to its advantage or in its best interest to disclose such information given the competitive human resource environment and the sensitive nature of employee remuneration matters. Confidentiality of employee remuneration matters should be maintained to support the Bank's efforts to attract and to retain highly-skilled individuals.

The following employees in the UOB Group are immediate family members of directors of the Bank and whose 2016 remuneration exceeded \$50,000:

- Mr Wee Ee Cheong, the CEO of the Bank, is the son of Dr Wee Cho Yaw and his 2016 remuneration is disclosed in the Directors' Statement section of this report; and
- Mr Brian Ong Li Jian, the son of Mr Ong Yew Huat, is employed by UOB Asset Management Ltd, a subsidiary of UOB. His 2016 remuneration was within the band of \$50,000 to \$100,000.

ACCOUNTABILITY AND AUDIT

(Principles 10 to 13, MAS Guidelines)

Board Risk Management Committee

The BRMC oversees risk management matters, including the following:

- establishment and operation of a robust and independent risk management system to identify, measure, monitor, control and report risks on an enterprise-wide basis;
- adequacy of the risk management function's resources;
- adequacy and effectiveness of the risk management system;
- review of the overall risk profile and the compliance with risk appetite, risk limits and risk-return strategy;
- establishment of risk measurement models and approaches;
- appropriateness of the remuneration and incentive structure; and
- appointment, remuneration and resignation of the CRO.

The BRMC assists the Board in exercising risk oversight and reports to the Board quarterly. The CRO, who reports functionally to the BRMC and administratively to the CEO, is responsible for the day-to-day operations of the risk management functions in the Group, including the overseas banking subsidiaries and branches.

During the year, the BRMC reviewed the risk governance framework, risk appetite framework and statement, frameworks for managing key risks, risk profile reports, stress test results and key risk management initiatives. In addition, it reviewed the Bank's remuneration practices in relation to promoting appropriate risk-taking behaviour. The emerging risks presented by the operating environment were also considered by the BRMC.

For more information on the work overseen by the BRMC, please refer to the Risk Management section of this report.

Audit Committee

The AC oversees matters relating to the following:

- financial statements and quality of, and any significant change in, accounting policies and practices;
- adequacy and effectiveness of internal accounting control systems and material internal controls;
- appointment, re-appointment, evaluation and remuneration of the external auditor, and plans, reports and results of external audit;
- appointment, evaluation, remuneration and termination of the Head of Group Audit;
- adequacy and effectiveness of the internal audit function, including plans, reports and results of internal audit;
- policies and procedures for handling fraud and whistleblowing cases; and
- interested person transactions and material related party transactions.

A majority of the AC members (including the chairman) are accountants by training and all AC members have experience serving in audit committees of large companies and other organisations. Internal controls and risk management are closely related. As a member of both the AC and BRMC, Mr Ong Yew Huat is able to help coordinate matters between the two committees.

The AC is empowered to conduct or to authorise investigations into any matter within its terms of reference. In the discharge of its duties, the AC has the full cooperation of Senior Management and the internal and external auditors. Audit reports, findings and recommendations of the internal and external auditors are sent directly to the AC, independent of Management. The internal and external auditors separately meet with the AC in the absence of Management, at least once every quarter. The AC has actively promoted a collaborative relationship between the internal and external auditors, ensuring that they are able to perform their complementary roles effectively.

Each quarter, the AC meets to review the financial statements before recommending them to the Board for approval. The review includes assessing the accounting policies and practices applied and any judgement made that may have a significant impact on the financial statements. For more effective conduct of business at AC meetings, the AC chairman receives prior briefings on matters to be reported by the Finance team and the internal and external auditors. The AC members also have separate discussions outside AC meetings as they deem necessary or appropriate. AC meetings may involve discussions of accounting standards and accounting practices and developments, especially those that have an impact on the business of the Bank and its reporting obligations. Recognising the weight of their responsibility in respect of the financial statements, the AC members, together with several other non-AC directors, attended a dedicated session conducted by the external auditor to acquaint themselves with impending amendments to financial reporting standards that are relevant to the business of the Bank.

Another important duty of the AC is the review of fraud and whistleblowing cases reported to the Bank. It also reviews the policies governing the management of fraud and whistleblowing cases. More information on the whistleblowing policy, which is administered by Group Audit, can be found on page 102.

The AC also approves the appointment, remuneration and resignation of the Head of Group Audit, who reports functionally to the AC and administratively to the CEO.

External Auditor

The external auditor, Ernst & Young LLP, is registered with the Accounting and Corporate Regulatory Authority (ACRA). The AC approves the terms of engagement of the external auditor and the audit fees, and reviews the external auditor's audit plan and reports.

To help shareholders and other stakeholders in their understanding of the Bank, the AC recommended, and the Board supported, the early adoption of the enhanced independent auditor's report for financial year 2015, making UOB one of the first ten companies in Singapore to adopt the new requirement, which comes into effect only in 2017. Please refer to the Independent Auditor's Report section of this report for information on the work carried out by the external auditor, including the key audit matters which the external auditor assessed to be of most significance in its audit of the financial statements for the year under review. The AC's commentary on the Independent Auditor's Report is provided in the table on the next page.



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Item in Independent Auditor's Report	AC's commentary on Independent Auditor's Report
<p>Pages 152-153 KAM[^]: Impairment of loans to customers</p>	<p>The Bank had a sizable loan book and it grew 8.8% year on year. Group non-performing loan (NPL) ratio rose to 1.5%, an increase of 0.1%.</p> <p>We were apprised of Management's credit-monitoring controls and processes by both the internal and external auditors. The external auditor's testing methodology and results on impairment allowances were also presented and discussed at the year-end AC meeting.</p> <p>For specific allowances, we reviewed significant NPLs and the related allowances to satisfy ourselves that the classifications and level of allowance were appropriate.</p> <p>For general allowances, we reviewed Management's methodology for collective impairment, which has been consistently applied over the years. We deliberated on the Bank's historical loss experience and resilience of the general allowance to absorb emerging loss given the current macroeconomic environment.</p> <p>Overall, we assessed that the allowances on loans, barring unforeseen circumstances, were adequate.</p>
<p>Page 153 KAM: Valuation of illiquid or complex financial instruments</p>	<p>With continued volatility in the global markets, the valuation of illiquid or complex financial instruments, such as unquoted equities and structured derivative products, can be a challenge.</p> <p>We discussed the valuation techniques used and, in particular, the unobservable inputs used to determine the fair value of these financial instruments with Management and the external auditor. The valuation processes and controls were also tested by the internal auditor.</p> <p>We noted the results of the internal and external auditors' testing and reviewed the resultant fair value hierarchy classification of these financial instruments.</p> <p>We considered the fair value and classification of these financial instruments appropriate.</p>
<p>Page 154 KAM: Impairment of goodwill</p>	<p>Goodwill from the acquisition of Overseas Union Bank, UOB Thailand and UOB Indonesia totalled \$4.15 billion.</p> <p>Management presented its goodwill impairment testing methodology and results to us. The external auditor presented its review of the methodology and testing results including comments from its valuation specialists and sensitivity analyses performed.</p> <p>We assessed the appropriateness of the lowest-level cash generating units, cashflow forecasts and the discount rates used. We were satisfied that no impairment was required on the goodwill at this time.</p>
<p>Page 155 Other information</p>	<p>Other information (OI) comprises information presented in the annual report other than in the financial statements. OI was not available to the external auditor at the issuance of its audit opinion on 16 February 2017. By a letter dated 13 March 2017, the external auditor confirmed to the Board that it has since received and read the OI and found no material inconsistencies with the Group's financial statements for the year ended 31 December 2016 or its knowledge obtained in the audit, nor does the OI otherwise appear to be materially misstated.</p>

[^] "KAM" means key audit matter.

The external auditor has provided quarterly affirmation of its independence to the AC. Notwithstanding such affirmation, the AC has reviewed all relationships between the Bank and the external auditor, including the fees paid to the external auditor for audit and non-audit services provided to the Bank in 2016. Management submits regular reports to the AC on the engagement of the external auditor for non-audit services and the fees paid for such services. On the basis of such reports and the conduct of the external auditor during the year, the AC is satisfied that the external auditor's independence was not compromised by the non-audit services provided and the amount of non-audit fees paid. Please refer to Note 10 to the Financial Statements for the audit and non-audit fees for 2016. Since the engagement of the external auditor in 2003, the non-audit fees paid to the external auditor have not exceeded the audit fees and have been between 5 per cent and 37 per cent of the audit fees for the respective years.

Based on its review of the external auditor's work and feedback received from the internal auditor and Management, the AC is of the view that the external auditor was independent and objective in its audit of UOB in the year under review. The AC has also found that the external auditor has a good understanding of the Bank's business, risk management and operational issues, and the requisite expertise and resources to perform its duties. In its review of the external auditor, the AC was guided by the *Audit Quality Indicators Disclosure Framework* issued by ACRA, the *Guidance to Audit Committees on Evaluation of Quality of Work Performed by External Auditors* issued by ACRA and the Singapore Exchange, and the *External Audits of Banks* issued by the Basel Committee on Banking Supervision. The AC has recommended that Ernst & Young LLP be nominated for re-appointment at the forthcoming AGM. In compliance with Rules 712 and 715 of the SGX-ST Listing Manual, Ernst & Young LLP was also appointed as the external auditors of the subsidiaries of UOB, except for a handful of immaterial overseas subsidiaries due to exceptional local regulations and circumstances.

Internal Auditor

Group Audit, the internal audit function, is independent of the activities that it audits. Every year, the AC reviews and approves the risk-based internal audit plan and the Internal Audit Charter, which sets out Group Audit's authority and responsibilities. In addition, the AC reviews the internal audit reports, scope and results of the internal audits, and the adequacy, effectiveness and efficiency of Group Audit. Within Group Audit, specialists can be found in various disciplines relevant to the business of the Bank, including technology, structured products, credit evaluation, fund management and investment. Measures are also in place to build functional continuity as part of its succession planning. To keep their skills up to date, Group Audit ensures that the internal audit team receives adequate and appropriate training each year. Opportunities are also provided for audit staff to be attached to business units for short terms to facilitate an in-depth understanding of their activities and processes.

Group Audit conducts internal audits and assesses the reliability, adequacy and effectiveness of the Bank's system of internal controls, risk management and governance processes. Audit projects are prioritised and scoped according to Group Audit's assessment of the Bank's risks and controls over the risk types. Group Audit adopts a two-year cycle risk-based audit plan that enables it to react more quickly to changes in regulations, address emerging risks and facilitate closer monitoring of the risk and control environment of the Bank. Given the increasing complexity of cyber risk and new digital banking initiatives, Group Audit has placed greater emphasis on the review of the Bank's cyber security defence and capabilities.

To augment its effectiveness and efficiency, Group Audit uses data analytics in the course of its work. In addition to the risk-focused reviews, Group Audit also supports Management in inculcating a stronger risk culture through the introduction of a new Management Governance and Oversight Rating Framework, which aims to encourage greater risk awareness and build a more robust control environment.



Corporate Governance

Working within the framework defined in the Internal Audit Charter, Group Audit adopts and meets the *Standards for the Professional Practice of Internal Auditing* set by The Institute of Internal Auditors and other relevant best practices. *The Internal Audit Function in Banks* issued by the Basel Committee on Banking Supervision is another guide. An independent audit quality assurance review of the internal audit function was commissioned by the AC during the year. Protiviti Inc., which conducted the review, has confirmed that Group Audit generally conforms to the International Professional Practices Framework of The Institute of Internal Auditors and that the implementation of a two-year cycle audit plan is effective and contributes to the overall enhancement of the Bank's risk and control environment.

Group Audit also oversees the internal audit functions of the Bank's overseas banking subsidiaries and provides leadership on various audit aspects. It acts as an internal resource, guiding them on standards of auditing and the Group's policies, while respecting local regulations and the authority of the audit committees of the respective overseas banking subsidiaries. To the extent appropriate and in accordance with local regulations, Group Audit also conducts audits of selected areas and reviews the internal audit work of each banking subsidiary. The Head of Group Audit is invited to attend the banking subsidiaries' audit committee meetings.

After reviewing the scope of internal audit for the financial year, the progress and results of the audits and the auditees' response to audit findings, the AC is satisfied that Group Audit is adequately and appropriately resourced and has carried out its responsibilities effectively and efficiently.

System of Risk Management and Internal Controls

UOB's system of risk management and internal controls comprises the following:

- **Management oversight and control:** Senior management committees assist the CEO to maintain the relevance and effectiveness of the Bank's frameworks and policies for internal controls and risk management. The committees are the Asset and Liability Committee, Brand Implementation Committee, Credit Committee, Human Resources Committee, Information and Technology Committee, Investment Committee, Management Committee, Management Executive Committee, Operational Risk Management Committee, and Risk and Capital Committee.

- **Risk identification, monitoring and assessment:** Group Risk Management identifies, monitors and assesses risks of the Group, and provides independent risk assessment of the overall risk profile to the Board and Senior Management. It works with business and support units and the relevant senior management committees to develop and to implement appropriate risk management strategies, frameworks, policies and processes. Group Risk Management reports regularly to the Board and BRMC on the overall risk outlook, including any emerging risk and key developments in the Group, among others. More information on the Bank's risk management can be found in the Risk Management and Pillar 3 Quantitative Disclosure sections of this report.
- **Regulatory compliance:** Group Compliance provides oversight, functional leadership and guidance to build a strong compliance culture and framework for the Group. It works with business and support units to identify, to assess, to monitor and to manage regulatory compliance risks, and accords high priority to preventive measures against money-laundering and terrorist-financing activities. Business and support units are guided by compliance policies, procedures and guidelines, ethical standards and industry best practices in the conduct of business. Through regular reports, Group Compliance highlights significant compliance issues and regulatory developments to the Board and Senior Management. It also provides assessments of key regulatory compliance risks, recommends corrective measures and issues advisories where appropriate.
- **Audits:** Please see the respective sections on the external and internal auditors.

For a more integrated approach to governance, risk management and compliance, the Bank has adopted a common reporting and sharing platform. Such a platform facilitates coordination and collaboration of Group Audit, Group Risk Management and Group Compliance, resulting in greater risk awareness and a more robust system of internal controls. This provides for more effective governance oversight and response to issues identified.

Adequacy and Effectiveness

The Bank's business units use various self-assessment tools to assess their compliance with internal controls, risk management processes and applicable regulations. The results of the self-assessments are then reviewed by Senior Management. The AC has reviewed the internal controls with the Head of Group Audit, and the BRMC has reviewed the risk management processes with the CRO.

The Board has received assurance from the CEO and CFO that the system of risk management and internal controls is effective, the 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 has also assessed the Bank's internal controls and risk management processes, the work carried out by the internal and external auditors, and the reviews performed by Senior Management and the relevant Board Committees.

Following its assessment, and with the concurrence of the AC and BRMC, the Board is of the opinion that the Bank's system of risk management and internal controls, including financial, operational, compliance and information technology controls, was adequate and effective as at 31 December 2016. The Board notes that no system of risk management and internal controls can provide absolute assurance against material error, loss or fraud. UOB's system of risk management and internal controls provides reasonable but not absolute assurance that the Bank will not be affected by any adverse event which may be reasonably foreseen.

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

(Principles 14 to 16, MAS Guidelines)

Shareholder Rights and Conduct of Shareholder Meetings

All shareholders are entitled to attend general meetings and participate in decisions concerning key corporate changes, such as any amendment to the Bank's Constitution and the authority to issue ordinary shares.

A notice of a general meeting is sent to shareholders within the statutory timeline of at least 14 days before the meeting. Each proposal is tabled as a separate and distinct resolution and explanatory notes to the resolutions tabled are provided in the notice of meeting. The notice, together with the proxy form, is published on the UOB website and SGXNet. It is also published in certain widely-read newspapers in Singapore.

Shareholders who are not relevant intermediaries as defined in the Companies Act may appoint up to two proxies to attend and to vote at general meetings in their place, while nominee companies and custodian banks who are relevant intermediaries may appoint more than two proxies. Investors who hold shares through nominee companies and custodian banks may attend and vote as proxies of the nominee companies or custodian banks. The Bank currently does not implement voting in absentia by mail or electronic means.

At each general meeting, adequate time is allocated for shareholders to give their views on matters affecting the Bank. Each ordinary share carries one vote. With electronic poll-voting being conducted at general meetings, shareholders are able to exercise their full voting rights. Shareholders present in person or represented by proxies are briefed on the procedures before electronic poll-voting commences. Each item on the agenda is put to the vote separately. The votes cast for or against each resolution are tallied and displayed promptly to shareholders at the close of voting. The electronic poll-voting services are provided by an independent contractor. At every general meeting, the Bank appoints an independent scrutineer to validate the voting results before the results are announced on SGXNet on the same day as the general meeting.



Corporate Governance

Communication with Shareholders

Shareholders and other stakeholders can access information on the Bank at SGXNet and the UOB website. UOB practises fair and timely disclosure of pertinent information and has an investor relations policy on communicating with the investment community, which includes shareholders, investors and analysts. Quarterly financial results are announced within 45 days from the end of each financial quarter and the full-year financial results are announced within 60 days from the financial year-end. The annual report, which contains the audited financial statements, notice of AGM and proxy form, includes other pertinent information for the investment community and is available on SGXNet and the UOB website.

Shareholders may provide their feedback to the Board and Management at general meetings, which are a principal forum for dialogue with shareholders. Where necessary, the Bank's professional advisers are present and available to address shareholders' queries. Shareholders are encouraged to raise any query on the financial statements and resolutions to be passed at the AGM, which is held within four months from the financial year-end. Minutes of the AGM as well as responses from the Board and Management to the queries from shareholders during the AGM are available on the UOB website.

Apart from general meetings, shareholders also have the option of providing feedback through the Investor Relations unit. The contact details of the Investor Relations unit are in the Corporate Information and Investors sections of this report and on the UOB website.

Our outreach to the investment community includes briefings by Senior Management to the media and analysts in connection with the release of our half-year and full-year financial results, and telephone conferences with analysts following the announcement of our first-quarter and third-quarter financial results. We also hold corporate day events in key markets in which the Bank operates. Further, through investor meetings, conferences and roadshows, we share with analysts and investors our corporate strategy, operational performance and business outlook. All materials presented at such briefings, corporate days, meetings, conferences and roadshows are published on SGXNet and the UOB website in a timely manner.

Dividend Payment

The Board is mindful of striking a balance between rewarding our shareholders appropriately and maintaining enough resources to build a sustainable business. Dividends recommended or declared for payment are announced on SGXNet. The Bank pays dividends to shareholders within 30 days after the declaration of any interim dividend and after the approval at the AGM of any final dividend. If the UOB Scrip Dividend Scheme is applied to any dividend, payment will be made in compliance with the SGX-ST Listing Manual.

RELATED PARTY TRANSACTIONS AND INTERESTED PERSON TRANSACTIONS

(Principle 17, MAS Guidelines)

The Bank has a policy on monitoring and disclosing interested person transactions, related party transactions and director-related transactions. The AC reviews all interested person transactions and material related party transactions to assess if they are undertaken in the ordinary course of business and on normal commercial terms and arm's length basis. All directors and the CEO have to declare any interest which could conflict with the Bank's interest and abstain from voting on matters in which they have an interest. In compliance with Rule 907 of the SGX-ST Listing Manual, the table on the next page sets out the interested person transactions entered into during 2016. Information on our related party transactions can be found in Note 41 to the Financial Statements.

Interested Person Transactions

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Haw Par Corporation Limited and its subsidiaries (Haw Par Group)	UOB Travel Planners Pte Ltd sold travel products and services to the Haw Par Group. The total value of these transactions was \$194,824.	Nil
UOB Kay Hian Private Limited	UOB Travel Planners Pte Ltd sold travel products and services to UOB Kay Hian Private Limited. The total value of these transactions was \$448,200.	Nil
UOL Group Limited and its subsidiaries (UOL Group)	UOB Travel Planners Pte Ltd sold travel products and services to and acted as hotel services agent for the UOL Group. The total value of these transactions was \$805,543.	Nil
UOL Property Investments Pte Ltd	<p>The Bank rented the following premises from UOL Property Investments Pte Ltd:</p> <ol style="list-style-type: none"> a. #11-02 United Square at a total rent of \$845,230.50 for 45 months from 1 May 2016; b. units on 11th, 15th and 20th floors of United Square at a total rent of approximately \$1.98 million for three years from 1 February 2017; c. units on 6th floor of Faber House at a total rent of approximately \$1.43 million for three years from 6 April 2016; and d. units on 11th and 12th floors of Faber House at a total rent of approximately \$2.44 million for three years from 16 March 2017. <p>The rents for the leases were supported by independent valuations.</p>	Nil
Novena Square Investments Ltd	The Bank rented #10-01/05 Novena Square from Novena Square Investments Ltd at a total rent of approximately \$2.45 million for three years from 17 August 2016. The rent for the lease was supported by an independent valuation.	Nil
Yangon Hotel Limited	<p>The Bank rented the following premises in Park Royal Yangon from Yangon Hotel Limited:</p> <ol style="list-style-type: none"> a. #01-49 at a total rent of US\$10,620 for 10 months from 1 March 2016; and b. #01-L1 and #01-49 at a total rent of US\$144,000 for one year from 1 January 2017. <p>The rents for the leases were supported by independent valuations.</p>	Nil
Dou Hua Restaurants Pte Ltd	The Bank leased premises on 37th, 38th and 60th floors of UOB Plaza 1 to Dou Hua Restaurants Pte Ltd for five years for a total rent of \$3.68 million from 1 January 2017. The rent for the lease was supported by an independent valuation.	Nil
UIC Asian Computer Services Pte Ltd	UOB and its subsidiaries purchased hardware and software from UIC Asian Computer Services Pte Ltd valued at approximately \$8.23 million.	Nil



Corporate Governance

Material Contracts

No material contract involving the interest of the CEO, any director or controlling shareholder of the Bank has been entered into by the Bank or any of its subsidiaries since the end of the previous financial year, and no such contract subsisted as at 31 December 2016.

ETHICAL STANDARDS

Code of Conduct

The Board sets the tone in establishing the corporate culture and values of UOB, namely Honourable, Enterprising, United and Committed. These values are also adopted as appraisal criteria for our employees from 2016.

The UOB Code of Conduct, which guides directors and employees on their conduct at the workplace and with stakeholders, seeks to foster a culture of honesty and accountability to protect the interests of the Bank and its stakeholders. The principles covered in the written code include the following:

- fair dealing in the conduct of business;
- confidentiality of customer information;
- protection of personal data;
- equal opportunity for employees on the basis of merit;
- non-tolerance of discrimination or harassment on the basis of gender, race, age, religion, disability or any other classification that does not create a professional and safe workplace;
- compliance with competition and anti-trust law;
- zero tolerance of bribery, corruption and illegal or unethical dealings, including insider trading and facilitation payments; and
- whistleblowing.

To underscore the importance of adherence to and observance of the code, our employees refresh their knowledge of the code through an online learning tool each year. The participation and performance of every employee is monitored and non-participation may result in disciplinary action.

Whistleblowing Policy

The Bank has a whistleblowing policy which provides for any individual to report, anonymously or otherwise, any suspected wrongdoing in confidence. Whistleblowing reports may be sent to the Head of Group Audit at United Overseas Bank Limited, 396 Alexandra Road, #18-00, Singapore 119954. Alternatively, reports may be sent to the AC chairman, CEO or Board Chairman at 80 Raffles Place, UOB Plaza 1, Singapore 048624. UOB prohibits reprisal against whistleblowers who have acted in good faith. The policy sets out the procedures by which Group Audit investigates whistleblowing cases. Group Audit conducts investigations independently and submits regular updates on whistleblowing reports received to the AC.

Fair Dealing

We are committed to delivering fair dealing outcomes to our customers and actively promote such awareness and training in our organisation. We have policies, guidelines and best practices to instil the spirit and intent of fair dealing into the organisational culture and daily operations. We take all customer complaints seriously and have an independent team to ensure that all complaints are handled appropriately. There are clear processes and procedures in place which mandate the team to review and to investigate complaints objectively and promptly and to communicate decisions to customers clearly. Customers and the general public may give their feedback on the Bank or its products and services via the customer service hotline or feedback form, both of which are available on the UOB website. More information on the Bank's commitment to fair dealing can be found in the Customers section of this report.

Securities Dealing

The Bank has a code on dealing in securities. The code requires directors and employees to comply with applicable laws on insider dealings at all times and prohibits dealings in the Bank's securities:

- on short-term considerations;
- during the period commencing two weeks before the announcement of the Bank's financial statements for each of the first three quarters of the financial year and one month before the announcement of the Bank's full-year financial statements. The Bank informs directors and employees of the prohibited dealing periods and does not deal in its securities during such periods; and
- whenever they are in possession of price-sensitive information.

Directors and the CEO have a duty to notify the Bank of his/her interests in the securities of UOB and its related corporations within two business days after they acquire such interests or become aware of any change in interests for our announcement on SGXNet. Our policy governing personal trades in securities requires employees with access to price-sensitive information in the course of their duties to seek clearance before they can trade in any securities.

Principles and guidelines in MAS Guidelines with express disclosure requirements	Page reference in annual report
Guideline 1.3 Delegation of authority, by the Board to any board committee, to make decisions on certain board matters	86
Guideline 1.4 The number of meetings of the Board and board committees held in the year, as well as the attendance of every board member at these meetings	87
Guideline 1.5 The type of material transactions that require board approval under guidelines	86
Guideline 1.6 The induction, orientation and training provided to new and existing directors	89
Guideline 1.16 An assessment of how these programmes meet the requirements as set out by the NC to equip the Board and the respective board committees with relevant knowledge and skills in order to perform their roles effectively	89
Guideline 2.3 The Board should identify in the company's Annual Report each director it considers to be independent. Where the Board considers a director to be independent in spite of the existence of a relationship as stated in the Code that would otherwise deem a director not to be independent, the nature of the director's relationship and the reasons for considering him as independent should be disclosed	87
Guideline 2.4 Where the Board considers an independent director, who has served on the Board for more than nine years from the date of his first appointment, to be independent, the reasons for considering him as independent should be disclosed	Not applicable
Guideline 2.13 Names of the members of the EXCO and the key terms of reference of the EXCO, explaining its role and the authority delegated to it by the Board	Not applicable
Guideline 3.1 Relationship between the Chairman and the CEO where they are immediate family members	Not applicable
Guideline 4.1 Names of the members of the NC and the key terms of reference of the NC, explaining its role and the authority delegated to it by the Board	87-92
Guideline 4.4 The maximum number of listed company board representations which directors may hold should be disclosed	88
Guideline 4.6 Process for the selection, appointment and re-appointment of new directors to the Board, including the search and nomination process	89
Guideline 4.7 Key information regarding directors, including which directors are executive, non-executive or considered by the NC to be independent	12-16, 87-88
Guideline 4.13 Resignation or dismissal of key appointment holders	Not applicable



Corporate Governance

	Page reference in annual report
Principles and guidelines in MAS Guidelines with express disclosure requirements	
Guideline 4.14 Deviation and explanation for the deviation from the internal guidelines on time commitment referred to in Guidelines 4.4 and 4.10	88
Guideline 5.1 The Board should state in the company's Annual Report how assessment of the Board, its board committees and each director has been conducted. If an external facilitator has been used, the Board should disclose in the company's Annual Report whether the external facilitator has any other connection with the company or any of its directors. This assessment process should be disclosed in the company's Annual Report	88
Guideline 7.1 Names of the members of the RC and the key terms of reference of the RC, explaining its role and the authority delegated to it by the Board	91, 93-94
Guideline 7.3 Names and firms of the remuneration consultants (if any) should be disclosed in the annual remuneration report, including a statement on whether the remuneration consultants have any relationships with the company	93
Principle 9 Clear disclosure of remuneration policies, level and mix of remuneration, and procedure for setting remuneration	106-110
Guideline 9.1 Remuneration of directors, the CEO and at least the top five key management personnel (who are not also directors or the CEO) of the company. The annual remuneration report should include the aggregate amount of any termination, retirement and post-employment benefits that may be granted to directors, the CEO and the top five key management personnel (who are not directors or the CEO)	93-94
Guideline 9.2 Fully disclose the remuneration of each individual director and the CEO on a named basis. There will be a breakdown (in percentage or dollar terms) of each director's and the CEO's remuneration earned through base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives	148
Guideline 9.3 Name and disclose the remuneration of at least the top five key management personnel (who are not directors or the CEO) in bands of \$250,000. There will be a breakdown (in percentage or dollar terms) of each key management personnel's remuneration earned through base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives. In addition, the company should disclose in aggregate the total remuneration paid to the top five key management personnel (who are not directors or the CEO). As best practice, companies are also encouraged to fully disclose the remuneration of the said top five key management personnel	94
Guideline 9.4 Details of the remuneration of employees who are immediate family members of a director or the CEO, and whose remuneration exceeds \$50,000 during the year. This will be done on a named basis with clear indication of the employee's relationship with the relevant director or the CEO. Disclosure of remuneration should be in incremental bands of \$50,000	94

Principles and guidelines in MAS Guidelines with express disclosure requirements	Page reference in annual report
Guideline 9.5 Details and important terms of employee share schemes	149
Guideline 9.6 For greater transparency, companies should disclose more information on the link between remuneration paid to the executive directors and key management personnel, and performance. The annual remuneration report should set out a description of performance conditions to which entitlement to short-term and long-term incentive schemes are subject, an explanation on why such performance conditions were chosen, and a statement of whether such performance conditions are met	106-110
Guideline 11.3 The Board should comment on the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems. The commentary should include information needed by stakeholders to make an informed assessment of the company's internal control and risk management systems. The Board should also comment on whether it has received assurance from the CEO and the CFO: (a) that the financial records have been properly maintained and the financial statements give true and fair view of the company's operations and finances; and (b) regarding the effectiveness of the company's risk management and internal control systems	99
Guideline 11.14 Names of the members of the board risk committee and the key terms of reference of the board risk committee, explaining its role and the authority delegated to it by the Board	91, 94
Guideline 12.1 Names of the members of the AC and the key terms of reference of the AC, explaining its role and the authority delegated to it by the Board	91, 95-98
Guideline 12.6 Aggregate amount of fees paid to the external auditors for that financial year, and breakdown of fees paid in total for audit and non-audit services respectively, or an appropriate negative statement	175
Guideline 12.7 The existence of a whistleblowing policy should be disclosed in the company's Annual Report	102
Guideline 12.8 Summary of the AC's activities and measures taken to keep abreast of changes to accounting standards and issues which have a direct impact on financial statements	95
Guideline 15.4 The steps the Board has taken to solicit and understand the views of the shareholders e.g. through analyst briefings, investor roadshows or Investors' Day briefings	100
Guideline 15.5 Where dividends are not paid, companies should disclose their reasons	Not applicable
Guideline 17.4 Material related party transactions	220-221

