

CORPORATE GOVERNANCE REPORT

PRINCIPLE THREE – DIRECTOR’S APPOINTMENT PROCEDURES

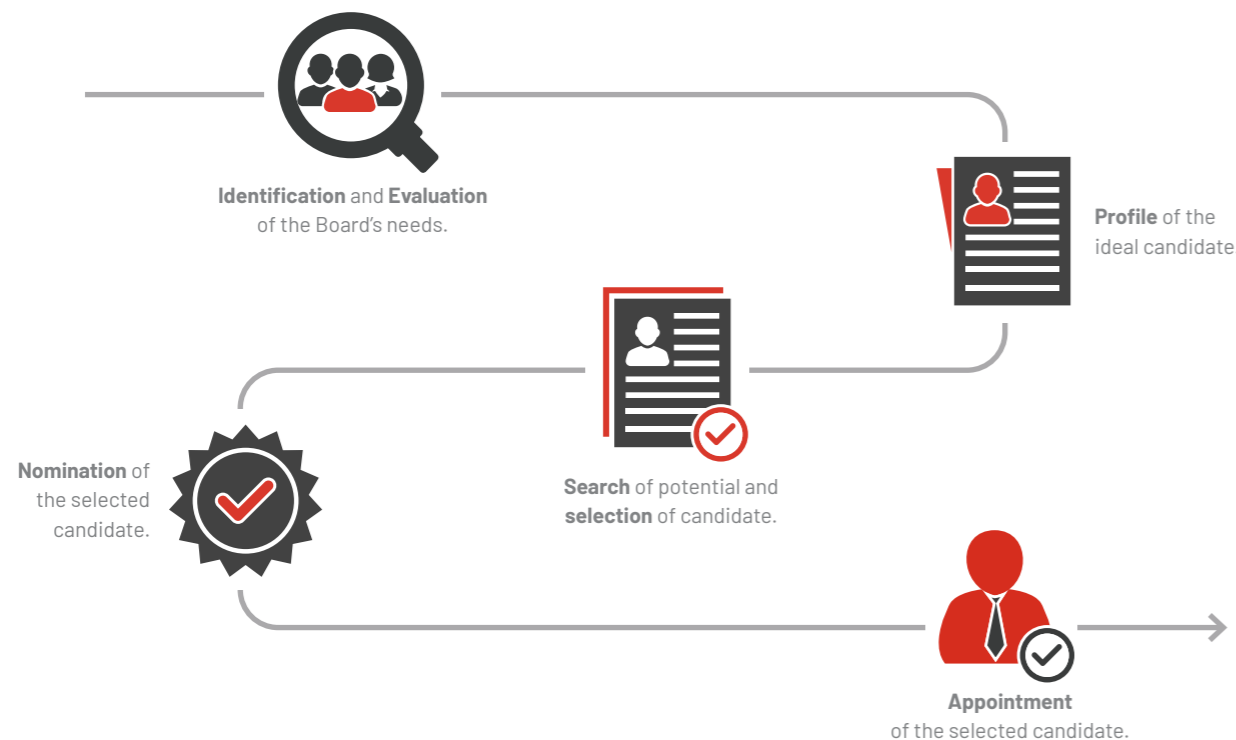
BOARD MEMBER APPOINTMENT AND RE-APPOINTMENT

The Board has mandated the Corporate Governance Committee to select and review candidates of the proposed directorship guided by legal and regulatory requirements. Candidates appointment should be conducted with appointments being made, on merit, against objective criteria in relation to skills, knowledge, experience, independence and gender balance which will add to the benefits of diversity on the Board.

Once the selection process has been completed, the Corporate Governance Committee makes its recommendation to the Board for approval.

For the purpose of filling a casual vacancy, the Board may approve the proposal of the Corporate Governance Committee. As such, the proposed Director shall stay in office until the next annual meeting whereby he/she can be appointed by the shareholders.

The Board members’ selection and nomination process can be classified into the main steps illustrated below:



The newly appointed Director receives a Letter of Appointment which contains the following main details:

- Time Commitment;
- Roles and Duties;
- Outside Interests;
- Confidentiality;
- Price Sensitive Information and Dealing in the Bank’s Shares;
- Induction;
- Review process; and
- Insurance.

Following letters received from BOM dated 19 August 2020 and 28 August 2020, enjoining the Bank to recompose its Board of Directors, a special meeting of shareholders was convened on 29 September 2020, wherein 9 new directors were appointed. Sanjiv Bhasin remained as the Executive Director. Subsequently, the Board appointed Joan Jill Wan Bok Nale to bring the total number of directors to 11 board members.

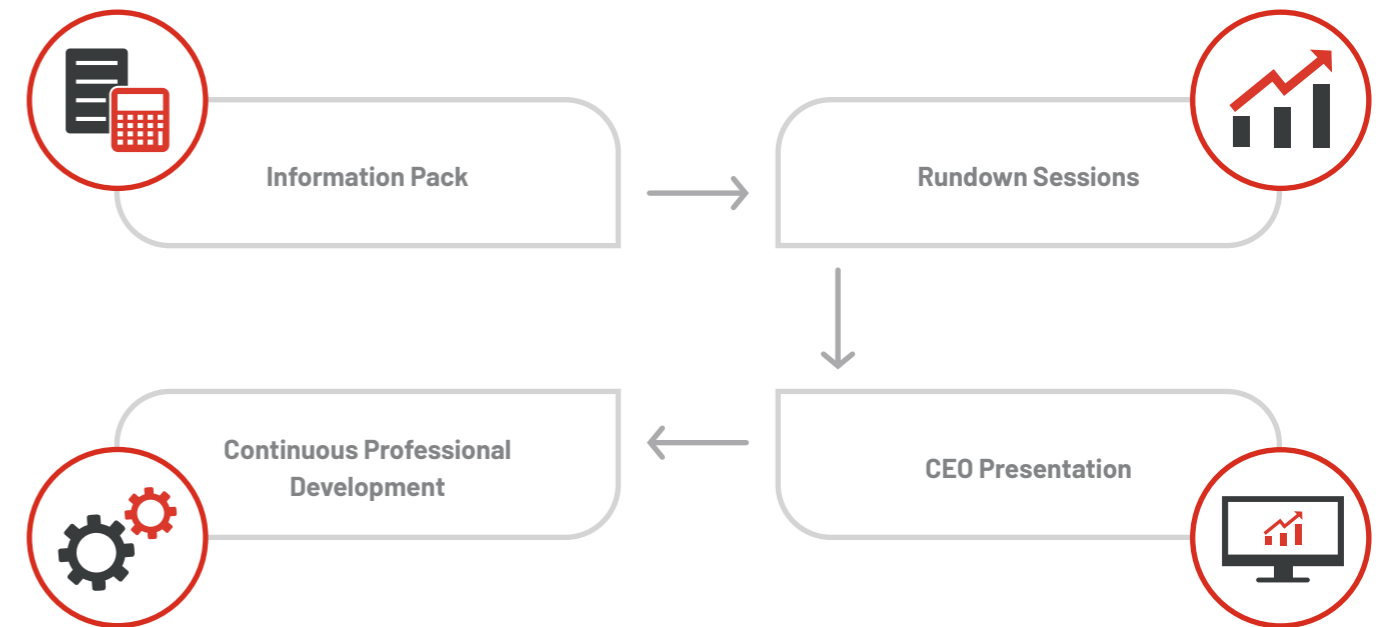
On 9 August 2021, the Board appointed a new Independent Non-Executive Director, Fiorangelo Salvatorelli to serve on the Board. Therefore, post the early retirement of Sanjiv Bhasin on 28 February 2021, the total number of directors consisting the Board as at date is of 11 members.

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INDUCTION AND PROFESSIONAL DEVELOPMENT

Following appointment on the Board, the Directors receive an extensive and formal tailored induction training to familiarise themselves with the activities of the Bank including training relevant Money Laundering/Terrorist Financing risk. In addition to receiving an information pack, the Directors also get accustomed with the Board Charter and Terms of Reference of the Board sub-committees and their statutory duties and obligations.

The Chairperson ensures that the development needs of the Directors are identified and consequently appropriate training is provided to continuously update their skills and knowledge.



In line with continuous professional development, the Directors attended the Webinar: Understanding Anti-Money Laundering (AML) & Combating the Financing of Terrorism (CFT) and Audit Committee Guidelines for evaluating a whistleblowing system. Moreover, on a quarterly basis, the Directors receive

an update on any regulatory change, including summary of any new BOM Guidelines or any change to existing BOM Guidelines or Act relevant to the banking and financial services sector.

SUCCESSION PLANNING

In accordance with its Terms of Reference, the Board is responsible for the succession planning of the Board, the Chief Executive Officer and Senior Management of the Bank.

The Board has mandated the Corporate Governance Committee to put in place the succession plans, especially that of the Chairperson and of the CEO. Same is formalised in the Terms of Reference of the Corporate Governance Committee.

The Corporate Governance Committee shall be responsible for the identification and nomination of potential candidates.

Following the early retirement of Sanjiv as from 28 February 2021, the Board has been actively searching for the next CEO, in line with same, the Committee has engaged the necessary procedures to find the right candidate with the most optimal profile to fit this position. Meanwhile, Thierry Vallet, is acting as Interim CEO in the leadership and management of the Bank.