IMPORTANT NOTICE

THE SECURITIES DESCRIBED HEREIN ARE AVAILABLE ONLY TO INVESTORS WHO ARE EITHER (1) QIBS (AS DEFINED BELOW) UNDER RULE 144A OF THE SECURITIES ACT (AS DEFINED BELOW) OR (2) ADDRESSEES WHO ARE NON-U.S. PERSONS (AS DEFINED BELOW) PURCHASING THE SECURITIES OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT.

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached offering memorandum. You are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the attached offering memorandum. In accessing the attached offering memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

Confirmation of Your Representation: By accepting the e-mail and accessing the attached offering memorandum you shall be deemed to have represented that (1) (i) you are not in the United States and, to the extent you will purchase the securities described in the attached offering memorandum, you will be doing so pursuant to Regulation S under the U.S. Securities Act of 1933 (the "**Securities Act**") OR (ii) you are acting on behalf of, or you are, a qualified institutional buyer ("**QIB**"), as defined in Rule 144A under the Securities Act, AND (2) you consent to the delivery of the attached offering memorandum and any amendments or supplements thereto by electronic transmission.

The attached offering memorandum has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of J.P. Morgan Securities Asia Private Limited, Merrill Lynch (Singapore) Pte. Ltd. and Oversea-Chinese Banking Corporation Limited or any of their respective directors, employees, representatives, affiliates or agents accept any liability or responsibility whatsoever in respect of any discrepancies between the offering memorandum distributed to you in electronic format and the hard copy version. We will provide a hard copy version to you upon request.

Restrictions: The attached document is an offering memorandum and is being furnished in connection with an offering exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the securities described herein.

THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE STATE OR LOCAL SECURITIES LAWS.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation to subscribe for or purchase any of the securities described herein, and access has been limited so that it shall not constitute a general advertisement or solicitation in the United States or elsewhere. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the underwriters or any affiliate of the underwriters is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the underwriters or such affiliate on behalf of the Issuer in such jurisdiction.

You are reminded that you have accessed the attached offering memorandum on the basis that you are a person into whose possession the attached offering memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

Actions That You May Not Take: You should not reply by e-mail to this communication, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "**Reply**" function on your e-mail software, will be ignored or rejected.

YOU ARE NOT AUTHORIZED TO AND MAY NOT FORWARD OR DELIVER THE ATTACHED OFFERING MEMORANDUM, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH OFFERING MEMORANDUM IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT AND THE ATTACHED OFFERING MEMORANDUM, IN WHOLE OR IN PART, IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Offering Memorandum dated April 6, 2022

Oversea-Chinese Banking Corporation Limited

(incorporated with limited liability in the Republic of Singapore)

(Company Registration Number: 193200032W)

U.S.$30,000,000,000 Global Medium Term Note Program

Under the Global Medium Term Note Program described in this Offering Memorandum (the "**Program**"), Oversea-Chinese Banking Corporation Limited and any of its branches outside Singapore, including but not limited to its Sydney branch, ("**OCBC Bank**" or the "**Issuer**"), and certain other companies in and outside Singapore that are subsidiaries of OCBC Bank (each, a "**Specified Issuer**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue debt securities (the "**Notes**"). The Notes may include Subordinated Notes and Perpetual Capital Securities (each as defined herein) issued by the Issuer which may qualify as regulatory capital of the Issuer. Where used in this Offering Memorandum unless otherwise stated, "Notes" includes the Perpetual Capital Securities that may be issued from time to time under the Program. The aggregate nominal amount of Notes outstanding will not at any time exceed U.S.$30,000,000,000 (or the equivalent in other currencies and subject to such increase as provided herein). Defined terms used in this Offering Memorandum have the meanings given to such terms in "Terms and Conditions of the Notes other than the Perpetual Capital Securities", "Terms and Conditions of the Perpetual Capital Securities", "Form of Pricing Supplement relating to Notes other than Perpetual Capital Securities", "Form of Pricing Supplement relating to Perpetual Capital Securities" and "Summary of the Program" as applicable.

Application has been made for permission to deal in, and for quotation of, any Notes which are agreed at the time of issue to be listed on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The relevant pricing supplement in respect of any issue of Notes (a "**Pricing Supplement**") will specify whether or not such Notes will be listed on the SGX-ST or any other stock exchange. There is no guarantee that an application to the SGX-ST will be approved. Admission of the Notes to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Program or such Notes. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions or reports contained in this Offering Memorandum.

The Program provides that Notes may be listed on such stock exchange(s) as may be agreed between the relevant Issuer and the relevant Dealer (as defined herein). Unlisted Notes may be issued pursuant to the Program.

In connection with the proposed issue of Senior Notes (as defined herein) by a Specified Issuer, such Specified Issuer will have executed an accession letter agreeing to be bound by all the terms of the Program Agreement (as defined herein) and a deed of accession agreeing to be bound by all the terms of the Agency Agreement (as defined herein) and the Trust Deed (as defined herein), respectively. In connection with the proposed issue of Senior Notes denominated in Australian dollars and issued in the Australian domestic capital market ("**AMTNs**") by a Specified Issuer, such Specified Issuer will have executed an accession letter agreeing to be bound by all the terms of the Australian Agency Agreement and a Note (AMTN) Deed Poll (each as defined herein). From and after execution and delivery of such letters and documents, such Specified Issuer shall become and be treated as an "Issuer" for the purposes of the Program Documents (as defined in the Program Agreement) and this Offering Memorandum. References herein to "Issuer" are references to the relevant Specified Issuer in respect of (and only to the extent of) the Senior Notes issued by it and in respect of the Program Documents only to the extent that it is bound by them and such references specifically exclude any other Specified Issuer. The liability of the Specified Issuer under the Senior Notes and each of the Program Documents is several and is separate in respect of each Series (as defined herein). No Specified Issuer shall be responsible for the obligations of any other Specified Issuer under any Senior Notes issued by such Specified Issuer, or any of the Program Documents.

Each Tranche (as defined in "**Summary of the Program**") of Notes (other than AMTNs) in bearer form ("**Bearer Notes**") will be represented on issue by a temporary global note in bearer form (each a "**Temporary Global Note**") or a permanent global note in bearer form (each a "**Permanent Global Note**" and, together with the Temporary Global Notes, the "**Global Notes**") and will be sold in an "offshore transaction" within the meaning of Regulation S ("**Regulation S**") under the U.S. Securities Act of 1933 (the "**Securities Act**"). Interests in a Temporary Global Note generally will be exchangeable for interests in a Permanent Global Note, or if so stated in the applicable Pricing Supplement, definitive Notes ("**Definitive Notes**"), on or after the date falling 40 days after the later of the commencement of the offering and the relevant issue date of such Tranche, in each case, upon certification as to non-U.S. beneficial ownership. Interests in Permanent Global Notes will be exchangeable for Definitive Notes as described under "Summary of Provisions Relating to the Notes while in Global Form".

Notes to be issued in registered form ("**Registered Notes**") (other than AMTNs) will be represented by registered certificates (each a "**Certificate**"), without interest coupons, with one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. AMTNs will be issued in registered certificated form, and will take the form of entries on a register established and maintained by a registrar in Australia and may be lodged with the clearing system ("**Austraclear System**") operated by Austraclear Ltd ("**Austraclear**"). Each Tranche of AMTNs will be represented by a certificate without coupons (each an "**AMTN Certificate**"), which shall be issued by the Issuer in respect of each Tranche of AMTNs. Registered Notes which are sold in an "offshore transaction" within the meaning of Regulation S ("**Unrestricted Notes**"), will initially be represented by a permanent registered global certificate (each an "**Unrestricted Global Certificate**") without interest coupons, which may be deposited on the relevant issue date: (a) with, and registered in the name of, a common depositary on behalf of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**"), with The Central Depository (Pte) Limited ("**CDP**") or with a sub-custodian for the Central Moneymarkets Unit Service ("**CMU**") operated by the Hong Kong Monetary Authority ("**HKMA**"); and (b) in the case of a Series intended to be cleared through a clearing system other than, or in addition to, Euroclear and/or Clearstream, CDP or the CMU, or delivered outside a clearing system, as agreed between the Issuer, the Issuing and Paying Agent (as defined herein), the Trustee (as defined herein) and the relevant Dealer. Registered Notes which are sold in the United States to "qualified institutional buyers" (each, a "**QIB**") within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act ("**Restricted Notes**") will initially be represented by a permanent registered global certificate (each a "Restricted Global Certificate" and, together with the Unrestricted Global Certificate, the "**Global Certificates**"), without interest coupons, which may be deposited on the relevant issue date with a custodian (the "**Custodian**") for, and registered in the name of Cede & Co. as nominee for, The Depository Trust Company ("**DTC**"). The provisions governing the exchange of interests in Global Certificates for other Global Certificates or Definitive Notes are described in "Summary of Provisions Relating to the Notes while in Global Form". Certain provisions governing restrictions on transfer of Registered Notes are described in "Transfer Restrictions".

In relation to any Tranche, the aggregate nominal amount of the Notes of such Tranche, the interest or Distribution (as defined below) (if any) payable in respect of the Notes of such Tranche, the issue price and any other terms and conditions not contained herein which are applicable to such Tranche will be set out in a Pricing Supplement which, with respect to Notes to be listed, will be delivered to the SGX-ST on or before the date of issue of the Notes of such Tranche.

Pursuant to the Monetary Authority of Singapore Act 1970 of Singapore (the "MAS Act") and the Monetary Authority of Singapore (Resolution of Financial Institutions) Regulations 2018 (the "MAS Regulations"), Subordinated Notes and Perpetual Capital Securities (each as defined herein) are eligible instruments (as defined in the MAS Regulations). Accordingly, should a Bail-in Certificate (as defined herein) be issued, Subordinated Notes and Perpetual Capital Securities (each as defined herein) may be subject to cancelation, modification, conversion and/or change in form, as set out in such Bail-in Certificate.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND THE NOTES MAY INCLUDE BEARER NOTES THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED OR SOLD OR, IN THE CASE OF BEARER NOTES, DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S). THE NOTES ARE BEING SOLD OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS (AS DEFINED IN REGULATION S) IN RELIANCE ON REGULATION S AND WITHIN THE UNITED STATES TO QIBS IN RELIANCE ON RULE 144A.

Notes issued under the Program may be rated or unrated. When an issue of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Program. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision, downgrade or withdrawal at any time by the assigning rating agency.

Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this Offering Memorandum. This Offering Memorandum is an advertisement and is not a prospectus for the purposes of Regulation (EU) 2017/1129.

Arrangers and Dealers

BofA Merrill Lynch **J.P. Morgan** **OCBC Bank**

This Offering Memorandum dated April 6, 2022.

If you are in any doubt about this Offering Memorandum, you should consult your broker, dealer, bank manager, solicitor, certified public accountant or other professional advisor. By accepting delivery of this Offering Memorandum, you agree to the conditions described below.

This Offering Memorandum is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "Documents Incorporated by Reference" below).

This Offering Memorandum is confidential and is being furnished by us in connection with an offering exempt from registration under the Securities Act solely for you to consider the purchase of the Notes described in this Offering Memorandum. The information contained in this Offering Memorandum has been provided by us and from other sources identified in this Offering Memorandum. Any reproduction or distribution of this Offering Memorandum, in whole or in part, and any disclosure of its contents or use of any information in this Offering Memorandum for any purpose other than considering an investment in the Notes, is prohibited.

No person has been authorized to give any information or to make any representation other than those contained in this Offering Memorandum in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorized by any Issuer, or any of the Arrangers, the Dealers, the Trustee or any Agent (each as defined in "Summary of the Program"). Neither the delivery of this Offering Memorandum nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Offering Memorandum has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Offering Memorandum has been most recently amended or supplemented or that any other information supplied in connection with the Program is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Offering Memorandum or any Pricing Supplement and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Memorandum or any Pricing Supplement comes are required by the Issuer, the Arrangers and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain further restrictions on offers and sales of the Notes and distribution of this Offering Memorandum, see "Plan of Distribution" and "Transfer Restrictions" and the applicable Pricing Supplement.

THE NOTES MAY BE OFFERED AND SOLD OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN RELIANCE ON REGULATION S AND/OR WITHIN THE UNITED STATES TO QIBS IN RELIANCE ON RULE 144A. PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT SELLERS OF REGISTERED NOTES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A. ANY SERIES OF NOTES MAY BE SUBJECT TO ADDITIONAL SELLING RESTRICTIONS. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS ON OFFERS, SALES AND TRANSFERS OF NOTES AND THE DISTRIBUTION OF THIS OFFERING MEMORANDUM, SEE "PLAN OF DISTRIBUTION" AND "TRANSFER RESTRICTIONS" AND THE APPLICABLE PRICING SUPPLEMENT.

THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF NOTES OR THE ACCURACY OR ADEQUACY OF THIS OFFERING MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE UNITED STATES. THIS OFFERING MEMORANDUM DOES NOT CONTAIN ALL OF THE INFORMATION THAT WOULD BE INCLUDED IN AN OFFERING MEMORANDUM IF THE OFFERING OF THE NOTES WERE REGISTERED UNDER THE SECURITIES ACT.

Neither this Offering Memorandum nor any information supplied in connection with the Program constitutes an offer of, or an invitation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Notes.

OCBC Bank was granted the authority to carry on banking business in Australia under the Banking Act 1959 of Australia (the "**Australian Banking Act**") by the Australian Prudential Regulation Authority ("**APRA**"). The depositor protection provisions of Division 2 of Part II of the Australian Banking Act do not apply to OCBC Bank (including OCBC Bank acting through its Sydney branch). However, under Section 11 F of the Australian Banking Act, if OCBC Bank (whether in or outside Australia) suspends payment or becomes unable to meet its obligations, the assets of OCBC Bank in Australia are to be available to meet its liabilities in Australia (including where those liabilities are in respect of AMTNs issued by OCBC Bank acting through its Sydney branch) in priority to all other liabilities of OCBC Bank. Further, under Section 86 of the Reserve Bank Act 1959 of Australia, debts due by OCBC Bank to the Reserve Bank of Australia shall in any winding-up of OCBC Bank have priority over all other debts of OCBC Bank.

OCBC Bank is authorized by the Prudential Regulation Authority under the Financial Services and Markets Act 2000, as amended (the "**FSMA**") in the United Kingdom, with firm reference number 204687. It is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority.

This Offering Memorandum is not a prospectus for the purposes of Regulation (EU) 2017/1129 as implemented in the member states of the European Economic Area (the "**EEA**") (the "**EU Prospectus Regulation**") or Regulation (EU) 2017/1129 as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the **"UK Prospectus Regulation**"). This Offering Memorandum has been prepared on the basis that all offers of the Notes will be made pursuant to an exemption under the Prospectus Regulation from the requirement to produce a prospectus in connection with offers of the Notes. Accordingly, any person making or intending to make any offer within the EEA or in the UK of Notes which are the subject of any offering contemplated in this Offering Memorandum should only do so in circumstances in which no obligation arises for OCBC Bank, or any of the Dealers to produce a prospectus for such offers.

MIFID II PRODUCT GOVERNANCE/TARGET MARKET

The Pricing Supplement in respect of any Notes may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to Directive 2014/65/EU (as amended, "**MiFID II**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE/TARGET MARKET

The Pricing Supplement in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Joint Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor in the EEA means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor in the UK means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

SINGAPORE SFA PRODUCT CLASSIFICATION

In connection with Section 309B of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

CERTAIN DEFINITIONS, CONVENTIONS AND PRESENTATION OF FINANCIAL AND OTHER INFORMATION

In this Offering Memorandum, references to "**we**", "**our**" and "**us**" mean, as the context requires, Oversea-Chinese Banking Corporation Limited on an unconsolidated basis or Oversea-Chinese Banking Corporation Limited and its subsidiaries on a consolidated basis. References to "**OCBC Bank**" or "**the Issuer**" are to Oversea-Chinese Banking Corporation Limited on an unconsolidated basis and references to "**OCBC Group**", "**the Group**" or "**our Group**" are to OCBC Bank and its subsidiaries on a consolidated basis. In this Offering Memorandum, references to "**Note Conditions**" are to the terms and conditions of the Notes other than the Perpetual Capital Securities, "**Perpetual Capital Securities Conditions**" are to the terms and conditions of the Perpetual Capital Securities and "**Conditions**" are to the Note Conditions and the Perpetual Capital Securities Conditions together.

Rounding adjustments have been made in calculating some of the financial and operating information included in this Offering Memorandum. As a result, numerical figures shown as total amounts in some tables may not be exact arithmetic aggregations of the figures that make up such total amounts.

Unless otherwise specified or required by the context: references to "**days**" are to calendar days; references to "**years**" are to calendar years; references to "**China**" are to the People's Republic of China and to "**Greater China**" are to China, Hong Kong, Macau and Taiwan; references to "**Singapore dollars**" or "**S$**" are to the lawful currency of Singapore; references to "**Malaysian Ringgit**" or "**MYR**" are to the lawful currency of Malaysia; references to "**U.S.$**" or "**U.S. dollars**" are to the lawful currency of the United States; references to "**£**" are to the lawful currency of the United Kingdom; references to "**€**" are to the lawful currency of the member states of the European Union that have adopted and retained a common single currency; references to "**Indonesian Rupiah**" or "**IDR**" are to the lawful currency of the Republic of Indonesia; references to "**Renminbi**" or "**RMB**" are to the lawful currency of the People's Republic of China; all references to "**HK$**" or "**Hong Kong dollars**" are to the lawful currency of Hong Kong and references to "**AUD**" and "**A$**" are to the lawful currency of Australia.

In this Offering Memorandum, all of our financial information is presented on a consolidated basis, unless we state otherwise. This Offering Memorandum incorporates by reference our audited consolidated financial statements as of and for the years ended December 31, 2019 and 2020. Our audited consolidated financial statements as of and for the year ended December 31, 2021 are set forth on pages F-2 to F-155 of this Offering Memorandum.

In this Offering Memorandum,

(a) references to "Loans to customers" refer to "Loans and bills receivable" in the financial statements as of and for the year ended December 31, 2019;

(b) references to "Net change in life insurance fund contract liabilities" refer to "Change in life insurance fund contract liabilities" in the financial statements as of and for the year ended December 31, 2019; and

(c) references to "Global Wholesale Banking" refer to "Global Corporate/Investment Banking" in the financial statements as of and for the year ended December 31, 2019.

For the purpose of financial reporting of business segment results, our businesses are presented under five main segments representing the key customer and product groups: Global Consumer/Private Banking, Global Wholesale Banking, Global Treasury and Markets, Insurance and Others. The Global Consumer/Private Banking segment covers consumer banking, private banking and retail brokerage services, and Global Wholesale Banking encompasses corporate

banking, corporate finance and capital market solutions. The Global Treasury and Markets segment reflects the management of the Group's asset and liability positions as well as trading activities, with income from products and services offered to customers reflected in the respective business segments. The Insurance segment covers the Group's insurance business and includes its fund management activities. The "Others" segment comprises mainly property holding, investment holding and items not attributable to the other four business segments. Where there are material changes in the organizational structure and management reporting methodologies, segment information for prior periods is restated to allow comparability.

Our financial statements are prepared in accordance with Singapore Financial Reporting Standards (International) ("**SFRS(I)**"). The SFRS(I) differs in certain respects from generally accepted accounting principles in the United States ("**U.S. GAAP**"), and in other countries and from International Financial Reporting Standards ("**IFRS**"). You should consult your own professional advisors for an understanding of the differences between SFRS(I) and U.S. GAAP, IFRS and the generally accepted accounting principles ("**GAAP**") of other jurisdictions and how those differences might affect the financial information contained in this Offering Memorandum. We do not expect to publish financial statements in accordance with U.S. GAAP or IFRS.

In this Offering Memorandum, we have adopted non-generally accepted accounting principles ("**non-GAAP**") measures such as adjusted average total assets, adjusted return on assets, adjusted average ordinary shareholders' equity and adjusted return on ordinary shareholders' equity, which are non-GAAP measures. Adjusted average total assets is defined as average total assets excluding life insurance fund investment securities and other assets. While adjusted average total assets and adjusted return on assets are not SFRS(I)/GAAP measures, we believe that disclosing adjusted return on assets, which is calculated by dividing profit attributable to equity holders of OCBC Bank by adjusted average total assets, allows the reader to better understand OCBC Bank's banking operations and compare these with those of similar banks. Adjusted average ordinary shareholders' equity is defined as average shareholders' equity excluding preference shares and other equity instruments. While adjusted average ordinary shareholders' equity and adjusted return on ordinary shareholders' equity are not SFRS(I)/GAAP measures, we believe that disclosing adjusted return on ordinary shareholders' equity, which is calculated by dividing profit attributable to equity holders of OCBC Bank less preference share dividends and distributions on other equity instruments by adjusted average ordinary shareholders' equity, better represents the return attributable to ordinary shareholders of OCBC Bank. We believe that these adjusted metrics allow the reader to better understand OCBC Bank's performances. The data, however, should not be considered in isolation or as a substitute for measures of performance prepared in accordance with SFRS(I). These non-GAAP measures should be read in conjunction with the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and with the consolidated financial statements included elsewhere in this Offering Memorandum.

In order to facilitate the offering of any Tranche of Notes, one or more Dealers named as stabilization manager(s) (the "**Stabilization Manager(s)**") (or persons acting on behalf of any Stabilization Manager(s)) in the applicable Pricing Supplement, to the extent permitted by applicable laws and regulations, may engage in transactions that stabilize, maintain or otherwise affect the market price of the relevant Notes during and after the offering of the Tranche, including stabilizing or maintaining the market price of the Notes at a level above that which might otherwise prevail. No representation is made as to whether such stabilization activities will take place at all or the magnitude or effect of any such stabilizing or other transactions. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any such stabilization action may only be conducted outside Australia and on a market operated outside Australia.

DOCUMENTS INCORPORATED BY REFERENCE

This Offering Memorandum should be read and construed in conjunction with any supplemental Offering Memorandum thereto, each applicable Pricing Supplement and all other documents which are deemed to be incorporated by reference into the relevant Offering Memorandum and in the applicable Pricing Supplement. The relevant supplemental Offering Memorandum and the applicable Pricing Supplement shall, save as specified herein and therein, be read and construed on the basis that such documents are so incorporated by reference and form part of the relevant supplemental Offering Memorandum and the applicable Pricing Supplement.

Our audited consolidated financial statements as of and for the year ended December 31, 2021 are set forth on pages F-2 to F-155 of this Offering Memorandum. This Offering Memorandum should also be read and construed in conjunction with (i) our audited consolidated financial statements as of and for each of the two years ended December 31, 2019 and 2020 which have been previously published and filed with the Accounting and Corporate Regulatory Authority of Singapore and (ii) any of the consolidated interim or annual financial statements (whether audited or unaudited) published subsequently to such annual financial statements, each of which shall be deemed to be incorporated in, and to form part of, this Offering Memorandum and which shall be deemed to modify or supersede the contents of this Offering Memorandum to the extent that a statement contained in any such document is inconsistent with such contents.

Any statement contained in a document incorporated by reference into this Offering Memorandum shall be deemed to be modified or superseded to the extent that a statement contained in any subsequent document which also is incorporated by reference into this Offering Memorandum modifies or supersedes such statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Memorandum.

Copies of documents deemed to be incorporated by reference into this Offering Memorandum, including OCBC Bank's latest consolidated audited financial statements, may be obtained at our registered office, such other place as may also be set out in the terms and conditions of any Notes, our website (http://www.ocbc.com) or the website of the SGX-ST (http://www.sgx.com). Website addresses in this Offering Memorandum are included for reference only and the contents of any such websites are not incorporated by reference into, and do not form part of, this Offering Memorandum.

AVAILABLE INFORMATION

For so long as any of the Notes are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, we will, during any period in which we are neither subject to Section 13 or 15(d) under the U.S. Securities Exchange Act of 1934 (the "**Exchange Act**"), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any QIB who is a holder or beneficial owner of such restricted securities, or to any prospective purchaser of restricted securities who is a QIB, designated by such holder or beneficial owner, upon the request of such holder, beneficial owner or prospective purchaser, the information specified in Rule 144A(d)(4) under the Securities Act.

INFORMATION ON WEBSITES

As a company whose shares are quoted on the SGX-ST, we are required to make continuing disclosures under the relevant listing rules of the SGX-ST. These may be viewed at http://www.sgx.com. Further information on OCBC Bank may be found at http://www.ocbc.com. Access to such websites is subject to the terms and conditions governing the same.

The above websites and any other websites referenced in this Offering Memorandum are intended as guides as to where other public information relating to the Issuer may be obtained. Information appearing in such websites does not form part of this Offering Memorandum or the applicable Pricing Supplement and none of the Issuer, the Arrangers and the Dealers accept any responsibility whatsoever that any information, if available, is accurate and/or up-to-date. Such information, if available, should not form the basis of any investment decision by an investor to purchase or deal in any Notes.

ENFORCEABILITY OF JUDGMENTS

We are a company with limited liability incorporated under the laws of Singapore. Most or all of our directors, executive officers and corporate auditors are non-residents of the United States and all or a substantial portion of our assets and the assets of these non-resident persons are located outside the United States. As a result, it may not be possible for you to effect service of process within the United States upon us or such non-resident persons, or to enforce against any of us judgments obtained in United States courts predicated upon the civil liability provisions of the United States federal or state securities laws. We have been advised by Allen & Gledhill LLP, our Singapore counsel, that judgments of United States courts based upon the civil liability provisions of United States federal or state securities laws are not enforceable in Singapore courts and that there is doubt as to whether Singapore courts will enter judgments in original actions brought in Singapore courts of civil liabilities predicated solely upon the United States federal or state securities laws.

FORWARD-LOOKING STATEMENTS

This Offering Memorandum contains forward-looking statements regarding our intent, belief or current expectations of our management with respect to the future results of our operations and financial condition and the OCBC Group, including without limitation future loan loss provisions and financial support to borrowers. In many cases but not all, the words “anticipate”, “believe”, “estimate”, “expect”, “intend”, “may”, “would”, “could”, “plan”, “probability”, “project”, “risk”, “seek”, “should”, “future”, “target” and similar expressions, as they relate to us or our management, are intended to identify forward-looking statements. You can also identify forward-looking statements by discussions of strategy, plans or intentions. Forward-looking statements reflect our current views with respect to future events and are subject to risks, uncertainties and assumptions, including the risk factors described in this Offering Memorandum. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described here as anticipated, believed, estimated, expected or intended.

Forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors and the differences may be material. Potential risks and uncertainties include, without limitation, the following:

- the impact of COVID-19;
- the health of the economies of Singapore, Malaysia, Indonesia and Greater China;
- our ability to successfully implement our strategy;
- our growth and expansion in domestic and overseas markets;
- the actual growth in demand for banking and other financial products and services in the countries in which we operate, including Singapore, Malaysia, Indonesia and Greater China;

- changes in political, social, legal or economic conditions in the markets in which we and our customers operate in;
- insufficient liquidity;
- the state of the global financial system and systemic risk arising from problems of other financial institutions;
- the constraints on our operations due to capital adequacy requirements;
- the evolving capital adequacy requirements;
- our future levels of non-performing and restructured loans;
- the adequacy of our allowance for credit losses;
- the incurrence of significant credit-related costs;
- changes in credit spreads, interest rates and exchange rates;
- our ability to roll over our short-term funding sources and our exposure to credit, market and liquidity risks;
- our exposure to new risks as we expand the scope of our business;
- the success of our business alliances;
- the declines in the value of our securities portfolio;
- revisions to actuarial assumptions;
- our ability to maintain an effective system of internal controls;
- our failure to hire and retain qualified employees;
- regulatory sanctions;
- technological changes;
- the impact of changes in accounting standards, banking laws and regulations and other regulatory changes in jurisdictions affecting our business; and
- our ability to maintain competitiveness.

Given these and other risks and uncertainties, you should not place undue reliance on forward-looking statements, which speak only as of the date of this Offering Memorandum. We disclaim any obligation to update or to announce publicly any revision to any of the forward-looking statements contained in this Offering Memorandum to reflect any actual events or developments. The information contained in this Offering Memorandum, including without limitation the information under “Risk Factors”, identifies important factors in addition to those referred to above that could cause differences.

TABLE OF CONTENTS

	Page
SUMMARY OF THE PROGRAM	12
SUMMARY FINANCIAL AND OTHER INFORMATION	25
RISK FACTORS	28
EXCHANGE RATES	67
TERMS AND CONDITIONS OF THE NOTES OTHER THAN THE PERPETUAL CAPITAL SECURITIES	68
TERMS AND CONDITIONS OF THE PERPETUAL CAPITAL SECURITIES	156
SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM	233
USE OF PROCEEDS	242
BUSINESS	243
DESCRIPTION OF OCBC BANK'S SYDNEY BRANCH	292
CAPITALIZATION	293
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	294
MANAGEMENT	322
PRINCIPAL SHAREHOLDERS	338
SUBSIDIARIES, AFFILIATES AND ASSOCIATED COMPANIES	340
SUPERVISION AND REGULATION	341
UNITED STATES BENEFIT PLAN INVESTOR CONSIDERATIONS	376
TAXATION	378
PLAN OF DISTRIBUTION	401
FORM OF PRICING SUPPLEMENT RELATING TO NOTES OTHER THAN PERPETUAL CAPITAL SECURITIES	412
FORM OF PRICING SUPPLEMENT RELATING TO PERPETUAL CAPITAL SECURITIES	430
CLEARING AND SETTLEMENT	441
TRANSFER RESTRICTIONS	450
LEGAL MATTERS	454
INDEPENDENT AUDITORS	455
GENERAL INFORMATION	456
INDEX TO FINANCIAL INFORMATION	F-1

SUMMARY OF THE PROGRAM

The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Memorandum and, in relation to the terms and conditions of any particular Tranche or Series of Notes and the applicable Pricing Supplement. Words and expressions defined in the "Terms and Conditions of the Notes other than the Perpetual Capital Securities" (the "**Note Conditions**") and "Terms and Conditions of the Perpetual Capital Securities" (the "**Perpetual Capital Securities Conditions**" and, together with the Note Conditions, the "**Conditions**") shall have the same meanings in this summary.

Issuers of Senior Notes	Oversea-Chinese Banking Corporation Limited or any of its branches outside Singapore, including but not limited to its Sydney branch, or any Specified Issuer.
Issuer of Subordinated Notes	Oversea-Chinese Banking Corporation Limited.
Issuer of Perpetual Capital Securities	Oversea-Chinese Banking Corporation Limited.
Description	Global Medium Term Note Program.
Size	Up to U.S.$30,000,000,000 (or the equivalent in other currencies at the date of issue) in aggregate nominal amount of Notes outstanding at any one time.
Arrangers	Merrill Lynch (Singapore) Pte. Ltd., J.P. Morgan Securities Asia Private Limited and Oversea-Chinese Banking Corporation Limited (other than in connection with Notes offered or sold in reliance on Rule 144A).
Dealers	Merrill Lynch (Singapore) Pte. Ltd., J.P. Morgan Securities Asia Private Limited and Oversea-Chinese Banking Corporation Limited (other than in connection with Notes offered or sold in reliance on Rule 144A). The Issuer may from time to time terminate the appointment of any dealer under the Program or appoint additional dealers either in respect of one or more Tranches or in respect of the Program. References in this Offering Memorandum to **Permanent Dealers**" are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the Program (and whose appointment has not been terminated) and to "**Dealers**" are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.
Trustee	The Bank of New York Mellon, London Branch (in respect of Notes other than AMTNs).
Issuing and Paying Agent	The Bank of New York Mellon, London Branch (in respect of Notes other than AMTNs and Notes cleared through the CMU, CDP and DTC) and BTA Institutional Services Australia Limited (ABN 48 002 916 396) (in respect of AMTNs).
Exchange Agent	The Bank of New York Mellon.

Calculation Agent	The Bank of New York Mellon, London Branch (in respect of Notes other than AMTNs) and BTA Institutional Services Australia Limited (ABN 48 002 916 396) (in respect of AMTNs).
CDP Paying Agent	The Bank of New York Mellon, Singapore Branch (in respect of Notes cleared through CDP).
CMU Lodging and Paying Agent	The Bank of New York Mellon, Hong Kong Branch (in respect of Notes cleared through the CMU).
U.S. Paying Agent	The Bank of New York Mellon (in respect of the Notes cleared through DTC).
Paying Agent in respect of AMTNs only	BTA Institutional Services Australia Limited (ABN 48 002 916 396).
Registrars	The Bank of New York Mellon SA/NV, Luxembourg Branch (in respect of Notes other than AMTNs and Notes cleared through CMU, CDP and DTC), The Bank of New York Mellon, Hong Kong Branch (in respect of Notes cleared through CMU), The Bank of New York Mellon, Singapore Branch (in respect of Notes cleared through CDP), The Bank of New York Mellon (in respect of Notes cleared through DTC) and BTA Institutional Services Australia Limited (ABN 48 002 916 396) (in respect of AMTNs).
Transfer Agent	The Bank of New York Mellon SA/NV, Luxembourg Branch (in respect of Notes other than AMTNs and Notes cleared through CMU, CDP and DTC). The Bank of New York Mellon, Hong Kong Branch (in respect of Notes cleared through CMU), The Bank of New York Mellon, Singapore Branch (in respect of Notes cleared through CDP) and The Bank of New York Mellon (in respect of Notes cleared through DTC).
Method of Issue	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, and their issue price), to the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "**Tranche**") on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, and principal amount of the Tranche will be identical to the terms of other Tranches of the same Series) will be set out in a Pricing Supplement.

Issue Price	Notes may be issued at their principal amount or at a discount or premium to their principal amount. Partly Paid Notes may be issued, the issue price of which will be payable in two or more installments.
Form of Notes	The Notes may be issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**") only. Registered Notes will not be exchangeable for Bearer Notes and vice versa. Subordinated Notes and Perpetual Capital Securities will only be issued in registered form. Each Tranche of Notes in bearer form will be represented on issue by a temporary global note in bearer form (each a "**Temporary Global Note**") or a permanent global note in bearer form (each a "**Permanent Global Note**" and, together with the Temporary Global Notes, the "**Global Notes**"), as specified in the applicable Pricing Supplement. Interests in Temporary Global Notes generally will be exchangeable for interests in Permanent Global Notes, or if so stated in the applicable Pricing Supplement, definitive Notes ("**Definitive Notes**"), after the date falling 40 days after the later of the commencement of the offering and the relevant issue date of such Tranche upon certification as to non-U.S. beneficial ownership. Interests in Permanent Global Notes will be exchangeable for Definitive Notes in whole but not in part as described under "Summary of Provisions Relating to the Notes while in Global Form". Registered Notes (other than AMTNs) will be represented by Certificates, one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Certificates representing Registered Notes (other than AMTNs) that are registered in the name of a nominee for one or more clearing systems are referred to as "Global Certificates". Registered Notes sold in an "offshore transaction" within the meaning of Regulation S will initially be represented by an Unrestricted Global Certificate. Registered Notes sold in the United States in reliance on Rule 144A will initially be represented by a Restricted Global Certificate. AMTNs will be issued only as Registered Notes. AMTNs will be issued in registered certificated form and will take the form of entries on a register established and maintained by a registrar in Australia and may be lodged with the Austraclear System. Each Tranche of AMTNs will be represented by an AMTN Certificate. AMTNs will not be issued as Subordinated Notes or Perpetual Capital Securities.

Status of Senior Notes	The Senior Notes will constitute direct, unsubordinated and unsecured obligations of the Issuer as described in "Terms and Conditions of the Notes other than the Perpetual Capital Securities – Status – Status of Senior Notes".
Status of Subordinated Notes	The Subordinated Notes will constitute direct, subordinated and unsecured obligations of the Issuer as described in "Terms and Conditions of the Notes other than the Perpetual Capital Securities – Status – Status of Subordinated Notes".
Subordination of the Subordinated Notes	Upon the occurrence of any winding-up proceeding (other than pursuant to a Permitted Reorganization), the rights of the Noteholders to payment of principal of and interest on the Subordinated Notes and any other obligations in respect of the Subordinated Notes are expressly subordinated and subject in right of payment to the prior payment in full of all claims of Senior Creditors and will rank senior to all share capital of the Issuer and Additional Tier 1 Capital Securities and/or as otherwise specified in the applicable Pricing Supplement or in a supplement to this Offering Memorandum. The Subordinated Notes will rank *pari passu* with Tier 2 Capital Securities and/or as specified in the applicable Pricing Supplement or in a supplement to this Offering Memorandum and any instrument or security issued, entered into or guaranteed by the Issuer that ranks or is expressed to rank, by its terms or operation of law, *pari passu* with a Subordinated Note.
Status of Perpetual Capital Securities	The Perpetual Capital Securities will constitute direct, subordinated and unsecured obligations of the Issuer as described in "Terms and Conditions of the Perpetual Capital Securities – Status – Status of Perpetual Capital Securities".
Subordination of the Perpetual Capital Securities	Upon the occurrence of any winding-up proceeding, (other than pursuant to a Permitted Reorganization) the rights of the Securityholders to payment of principal of and Distributions on the Perpetual Capital Securities and any other obligations in respect of the Perpetual Capital Securities are expressly subordinated and subject in right of payment to the prior payment in full of all claims of Senior Creditors and will rank senior to Junior Obligations. The Perpetual Capital Securities will rank *pari passu* with Additional Tier 1 Capital Securities and/or as specified in the applicable Pricing Supplement or in a supplement to this Offering Memorandum and any instrument or security issued, entered into or guaranteed by the Issuer that ranks or is expressed to rank, by its terms or operation of law, *pari passu* with a Perpetual Capital Security.

Clearing Systems	CDP (subject to any restrictions or conditions which may be applicable as specified in the applicable Pricing Supplement), Clearstream, Euroclear, DTC, the Austraclear System and/or, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the relevant Paying Agent, the Trustee and the relevant Dealer.
Currencies	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealers. Payments in respect of Notes may, subject to such compliance, be made in and/or linked to any currency or currencies other than the currency in which such Notes are denominated.
Renminbi Fallback	If by reason of inconvertibility, non-transferability or illiquidity, the Issuer is not, in its sole and absolute discretion, able to satisfy payments of principal or interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, when due in Renminbi, the Issuer may settle such payment in U.S. Dollars (in the case of CMU Notes) or in Singapore dollars (in the case of CDP Notes).
Maturities	Subject to compliance with all relevant laws, regulations and directives, Senior Notes may have any maturity as may be agreed between the Issuer and the relevant Dealer(s) and Subordinated Notes that qualify as Tier 2 Capital Securities of the Issuer will have a minimum maturity of five years. Perpetual Capital Securities have no maturity date.
Denomination	Definitive Notes will be in denominations as may be specified in the applicable Pricing Supplement, save that unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer or the Specified Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the FSMA will have a minimum denomination of £100,000 (or its equivalent in other currencies). In the case of any Notes which are to be sold in the United States in reliance on Rule 144A, the minimum Specified Denomination shall be U.S.$200,000 (or its equivalent in any other currencies as of the date of the relevant Notes) and integral multiples of U.S.$1,000 (or its equivalent in any other currencies) in excess thereof. In the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or in the United Kingdom or offered to the public in a Member State of the European Economic Area or in the United Kingdom in circumstances which require the publication of a Prospectus under either the EU Prospectus Regulation or in the UK Prospectus Regulation, the minimum Specified Denomination shall be €100,000 or £100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).

Notes issued in, or into, Australia may be issued in such denominations as may be agreed save that:

(i) the aggregate consideration payable to the Issuer by each offeree is at least A$500,000 (or the equivalent in another currency and disregarding moneys lent by the Issuer or its associates to the purchaser) or the issue results from an offer or invitation of those Notes which otherwise does not require disclosure to investors under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of the Commonwealth of Australia (the "**Australian Corporations Act**");

(ii) the issue is not to a "retail client" for the purposes of Section 761 G of the Australian Corporations Act;

(iii) the issue complies with all other applicable laws; and

(iv) does not require any document to be lodged with the Australian Securities and Investments Commission or ASX Limited.

Fixed Rate Notes and Fixed Rate Perpetual Capital Securities

Fixed interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, will be payable in arrear on the date or dates in each year specified in the applicable Pricing Supplement.

Floating Rate Notes and Floating Rate Perpetual Capital Securities

Floating Rate Notes will bear interest and Floating Rate Perpetual Capital Securities will confer the right to receive Distributions determined separately for each Series as follows:

(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2021 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.; or

(ii) by reference to EURIBOR, HIBOR, SONIA Benchmark or SOFR Benchmark (or such other benchmark as may be specified in the applicable Pricing Supplement) as adjusted for any applicable margin; or

(iii) by reference to SORA Benchmark (or such other benchmark as may be specified in the applicable Pricing Supplement for Notes or, as the case may be, Perpetual Capital Securities denominated in Singapore dollars) as adjusted for any applicable margin.

Interest periods (in respect of Notes other than the Perpetual Capital Securities) or Distribution Periods (in respect of the Perpetual Capital Securities only) will be specified in the applicable Pricing Supplement.

Zero Coupon Notes	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest. Zero Coupon Notes will not be issued as Perpetual Capital Securities.
Change of Interest Basis or Distribution Basis	Notes or, as the case may be, Perpetual Capital Securities may be converted from one interest basis (in respect of the Notes other than the Perpetual Capital Securities) or one Distributions basis (in respect of the Perpetual Capital Securities only), as applicable, to another in the manner specified in the relevant Pricing Supplement.
Index Linked Notes	Payments of principal in respect of Index Linked Redemption Notes or interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula as may be specified in the applicable Pricing Supplement. Index Linked Notes will not be issued as Perpetual Capital Securities.
Equity Linked Notes	Payments of principal in respect of Equity Linked Redemption Notes and interest in respect of Equity Linked Interest Notes will be calculated by reference to such shares and/or formula as may be specified in the applicable Pricing Supplement. Zero Coupon Notes will not be issued as Perpetual Capital Securities.
Credit Linked Notes	Terms applicable to Credit Linked Notes, including the applicable settlement terms upon the default of a reference entity or obligation, will appear in the applicable Pricing Supplement. Equity Linked Notes will not be issued as Perpetual Capital Securities.
Bond Linked Notes	Payments of principal and/or interest in respect of Bond Linked Notes will be calculated by reference to such bonds and/or formula as may be specified in the applicable Pricing Supplement. Bond Linked Notes will not be issued as Perpetual Capital Securities.
Dual Currency Notes	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be based on such rates of exchange as may be specified in the applicable Pricing Supplement. Dual Currency Notes will not be issued as Perpetual Capital Securities.

Interest Periods, Interest Rates, Distribution Periods and Distribution Rates	The length of the interest periods (in respect of Notes other than the Perpetual Capital Securities), Distribution Periods (in respect of the Perpetual Capital Securities only) and the applicable interest rate (in respect of Notes other than the Perpetual Capital Securities), Distribution rates (in respect of the Perpetual Capital Securities only), or their methods of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate (in respect of Notes other than the Perpetual Capital Securities) or maximum Distribution rate (in respect of the Perpetual Capital Securities only), a minimum interest rate (in respect of Notes other than the Perpetual Capital Securities) or minimum Distribution rate (in respect of the Perpetual Capital Securities only), or both. The use of interest accrual periods permits the Notes (other than Perpetual Capital Securities) to bear interest at different rates in the same interest period. The use of Distribution accrual periods permits the Perpetual Capital Securities to confer the right to receive Distributions at different rates in the same Distribution period. All such information will be set out in the applicable Pricing Supplement.
Redemption of the Notes (other than the Perpetual Capital Securities)	The Pricing Supplement issued in respect of each issue of Senior Notes will indicate either that the Senior Notes cannot be redeemed prior to their stated maturity (other than in specified installments, if applicable, or for taxation reasons or following an Event of Default) or that such Senior Notes will be redeemable (in whole or in part) at the option of the Issuer and/or the Noteholders (upon giving notice to the Noteholders), on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the applicable Pricing Supplement. The Pricing Supplement issued in respect of each issue of Subordinated Notes will indicate either: (i) that such Subordinated Notes will be redeemable prior to their stated maturity (in whole, with the prior approval of the MAS) at the option of the Issuer for taxation reasons; or (ii) that such Subordinated Notes will be redeemable (in whole, with the prior approval of the MAS) following a Change of Qualification Event (as defined below) on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the applicable Pricing Supplement; or (iii) that such Subordinated Notes will be redeemable (in whole, with the prior approval of the MAS) at the option of the Issuer; or

	(iv) that such Subordinated Notes will be redeemable (in whole, with the prior approval of the MAS) on such other terms as may be indicated in the applicable Pricing Supplement. The applicable Pricing Supplement will specify the basis for calculating the redemption amounts payable.
Redemption of the Perpetual Capital Securities	The applicable Pricing Supplement issued in respect of each issue of Perpetual Capital Securities will indicate that the Perpetual Capital Securities cannot be redeemed other than, with the prior approval of the MAS, at the option of the Issuer: (i) for taxation reasons; or (ii) following a Change of Qualification Event; or (iii) on such other terms, as may be indicated in the applicable Pricing Supplement. The applicable Pricing Supplement will specify the basis for calculating the redemption amounts payable.
Redemption by Installments	The Pricing Supplement issued in respect of each issue of Notes that are redeemable in two or more installments will set out the dates on which, and the amounts in which, such Notes may be redeemed.
Variation instead of Redemption of the Subordinated Notes and the Perpetual Capital Securities	The Issuer may, subject to the approval of the MAS, vary the terms of the Subordinated Notes or the Perpetual Capital Securities, as applicable, so they remain or become Qualifying Securities (as defined in the relevant Conditions) as provided in Note Condition 5(h) (in respect of the Notes other than the Perpetual Capital Securities) or Perpetual Capital Securities Condition 6(f) (in respect of the Perpetual Capital Securities only), as applicable.
Loss Absorption upon a Trigger Event in respect of the Subordinated Notes or the Perpetual Capital Securities	The applicable Pricing Supplement will specify whether "Write-off" or "Conversion" applies as the relevant Loss Absorption Option to the Subordinated Notes or the Perpetual Capital Securities, as applicable, upon the occurrence of a Trigger Event. If "Write-off" is specified, the provisions of Note Conditions 6(b) and 6(c) (in respect of the Notes other than the Perpetual Capital Securities) or Perpetual Capital Securities Conditions 7(b) and 7(c) (in respect of the Perpetual Capital Securities only) shall apply. If "Conversion" is specified, the terms applicable thereto will be specified in the applicable Pricing Supplement.

Contractual Recognition of Bail-In regime in respect of Subordinated Notes and Perpetual Capital Securities	The Trustee (on behalf of the holders of Subordinated Notes or the holders of Perpetual Capital Securities, as applicable) and each holder of a Subordinated Note or a Perpetual Capital Security shall be subject, and shall be deemed to agree, to be bound by and acknowledge that the Subordinated Notes or the Perpetual Capital Securities, as the case may be, and each holder may be subject to cancelation, modification, conversion, change in form, or have the effect as if a right of modification, conversion, or change of form had been exercised by the Monetary Authority of Singapore ("**MAS**") in the exercise of the MAS' powers under Division 4A of Part IVB of the MAS Act without prior notice. The Trustee (on behalf of the holders of Subordinated Notes or the holders of the Perpetual Capital Securities, as applicable) and each holder of a Subordinated Note or a Perpetual Capital Security shall be subject, and shall be deemed to agree, to be bound by and acknowledge that they are each subject to, having the Subordinated Notes or a Perpetual Capital Security, being the subject of the exercise of the MAS' powers under Division 4A of Part IVB of the MAS Act. The Trustee (on behalf of the holders of Subordinated Notes or the holders of the Perpetual Capital Securities, as applicable) and each holder of a Subordinated Note or a Perpetual Capital Security shall be deemed to agree to be bound by the terms of a Bail-in Certificate (as defined in Note Condition 6(d) or Perpetual Capital Securities Condition 7(d), as applicable).
Negative Pledge	None.
Cross Default	None.
Events of Default in respect of the Senior Notes	Events of Default for the Senior Notes are set out in Note Condition 10(a).
Default and Enforcement in respect of the Subordinated Notes	If a Default in respect of the payment of principal of or interest on the Subordinated Notes occurs and is continuing, the sole remedy available to the Trustee shall be the right to institute proceedings in Singapore (but not elsewhere) for the winding-up of the Issuer. If the Issuer shall default in the performance of any obligation contained in the Trust Deed or the Subordinated Notes other than a Default specified in the Note Conditions, the Trustee and the Noteholders shall be entitled to every right and remedy given under the Note Conditions and the Trust Deed or existing at law or in equity or otherwise, provided, however, that the Trustee shall have no right to enforce payment under or accelerate payment of any Subordinated Note except as provided in the Note Conditions and the Trust Deed. If any court awards money damages or other restitution for any default with respect to the performance by the Issuer of its obligations contained in the Trust Deed, the relevant Subordinated Notes, the payment of such money damages or other restitution shall be subject to the subordination provisions set out in the Note Conditions and the Trust Deed.

Default and Enforcement in respect of the Perpetual Capital Securities	If a Default in respect of the payment of principal of or Distribution on the Perpetual Capital Securities occurs and is continuing, the sole remedy available to the Trustee shall be the right to institute proceedings in Singapore (but not elsewhere) for the winding-up of the Issuer. If the Issuer shall default in the performance of any obligation contained in the Trust Deed, the relevant Perpetual Capital Securities other than a Default specified in the Perpetual Capital Securities Conditions, the Trustee and the Securityholders shall be entitled to every right and remedy given under the Perpetual Capital Securities Conditions or now or hereafter existing at law or in equity or otherwise, provided, however, that the Trustee shall have no right to enforce payment under or accelerate payment of any Perpetual Capital Security except as provided in the Perpetual Capital Securities Conditions and the Trust Deed. If any court awards money damages or other restitution for any default with respect to the performance by the Issuer of its obligations contained in the Trust Deed, the relevant Perpetual Capital Securities, the payment of such money damages or other restitution shall be subject to the subordination provisions set out in the Perpetual Capital Securities Conditions and the Trust Deed.
Rating	Each Tranche of Notes issued under the Program may be rated or unrated. When a Tranche of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Program. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision, downgrade or withdrawal at any time by the assigning rating agency.
Withholding Tax	All payments of principal and interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, by or on behalf of the Issuer in respect of the Notes, the Receipts and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within a Relevant Taxing Jurisdiction or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders, Receiptholders, Couponholders or, as the case may be, Securityholders of such amount as would have been received by them had no such withholding or deduction been required, subject to certain exceptions.

Governing Law	The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes will be governed by (i) English law, except for the provisions of the Subordinated Notes and the Perpetual Capital Securities in relation to subordination, set-off and payment void, default and enforcement, which shall be governed by, and construed in accordance with, the laws of Singapore, (ii) the laws of New South Wales, Australia (in respect of AMTNs), or (iii) the laws of Singapore.
Listing	Application has been made for Notes issued under the Program which are agreed at the time of issue to be so listed, to be listed on the SGX-ST. For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes will be traded on the SGX-ST in a minimum board lot size of S$200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time. The Notes may also be listed on such other or further stock exchange(s) as may be agreed in relation to each Series. Unlisted Notes may also be issued.
Selling Restrictions	United States, United Kingdom, European Economic Area, Singapore, Japan, Hong Kong and Australia. See "Plan of Distribution". Notes in bearer form will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**")) ("**TEFRA D**") unless (i) the applicable Pricing Supplement states that Notes are issued in compliance with U.S. Treas. Reg. § 1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) ("**TEFRA C**") or (ii) the Notes are issued other than in compliance with the TEFRA D or the TEFRA C but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), which circumstances will be referred to in the applicable Pricing Supplement as a transaction to which TEFRA is not applicable.
Transfer Restrictions	There are restrictions on the transfer of Notes sold pursuant to Regulation S prior to the expiration of the relevant Distribution Compliance Period (as defined in "Plan of Distribution") and on the transfer of Registered Notes sold pursuant to Rule 144A. See "Transfer Restrictions".

ERISA Considerations	Unless otherwise provided in the applicable Pricing Supplement, the Notes may be purchased and held by an employee benefit plan subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), an individual retirement account or other plan subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the "**Code**"), or an entity whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement. A fiduciary of an employee benefit plan subject to ERISA must determine that the purchase and holding of a note is consistent with its fiduciary duties under ERISA. The fiduciary of an ERISA plan, as well as any other prospective investor subject to Section 4975 of the Code or any similar law, must also determine that its purchase and holding of the Notes does not result in a non-exempt prohibited transaction, as defined in Section 406 of ERISA or Section 4975 of the Code, or violate any similar law. Each purchaser and transferee of a Note who is subject to ERISA, Section 4975 of the Code or any similar law will be deemed to have represented by its acquisition and holding of the Note that its acquisition and holding of the Notes does not constitute or give rise to a non-exempt prohibited transaction under Section 406 of ERISA, Section 4975 of the Code or any similar law.
Legal Entity Identifier	In the case of the Issuer acting through its registered office in Singapore is 5493007O3QFXCPOGWK22 or as otherwise specified for a Specified Issuer as set out in the applicable Pricing Supplement.

SUMMARY FINANCIAL AND OTHER INFORMATION

The following table sets out the summary financial and other information derived from our audited consolidated financial statements as of and for the three years ended December 31, 2019, 2020 and 2021, each prepared in accordance with SFRS(I).

The financial information is based on, and should be read in conjunction with: (i) our audited consolidated financial statements as of and for the year ended December 31, 2021 and the notes related thereto and which are set forth beginning on page F-2 of this Offering Memorandum; (ii) our audited consolidated financial statements as of and for the years ended December 31, 2019 and 2020 and the notes related thereto which are incorporated by reference into this Offering Memorandum; and (iii) the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations".

Our audited consolidated financial statements as of and for the years ended December 31, 2019, 2020 and 2021 differ in certain material respects from U.S. GAAP. Investors should consult their own professional advisors for an understanding of the differences between SFRS(I) and U.S. GAAP, IFRS and the generally accepted accounting principles of other jurisdictions and how those differences might affect the financial information contained in this Offering Memorandum.

	Year ended December 31,		
	2019	**2020**	**2021**
	S$	**S$**	**S$**
		(in millions)	
Summary income statement information:			
Interest income	12,098	9,143	7,425
Interest expense	(5,767)	(3,177)	(1,570)
Net interest income	6,331	5,966	5,855
Premium income	10,965	14,592	17,987
Investment income	6,911	6,298	1,519
Net claims, surrenders and annuities	(6,404)	(9,574)	(10,772)
Net change in life insurance fund contract liabilities	(8,557)	(9,009)	(4,196)
Commission and others	(2,136)	(1,609)	(3,401)
Profit from life insurance	779	698	1,137
Premium income from general insurance	197	201	197
Fees and commissions (net)	2,123	2,003	2,245
Dividends	92	78	113
Net trading income[(1)]	977	863	763
Other income[(1)]	372	330	286
Non-interest income	4,540	4,173	4,741
Total income	10,871	10,139	10,596

	Year ended December 31,		
	2019	2020	2021
	S$	S$	S$
		(in millions)	
Staff costs	(2,840)	(2,748)	(3,028)
Other operating costs	(1,804)	(1,691)	(1,736)
Total operating expenses	(4,644)	(4,439)	(4,764)
Operating profit before allowances and amortization	6,227	5,700	5,832
Amortization of intangible assets	(103)	(104)	(103)
Allowances for loans and other assets	(890)	(2,043)	(873)
Operating profit after allowances and amortization	5,234	3,553	4,856
Share of results of associates, net of tax	566	612	824
Profit before income tax	5,800	4,165	5,680
Income tax expense	(778)	(437)	(648)
Profit for the period	5,022	3,728	5,032
Profit attributable to:			
Equity holders of OCBC Bank	4,869	3,586	4,858
Non-controlling interests	153	142	174
	5,022	3,728	5,032

	As of December 31,		
	2019	2020	2021
	S$	S$	S$
	(in millions, except for percentages)		
Summary balance sheet information:			
Loans to customers[1]	262,348	263,538	286,281
Placements with and loans to banks	35,864	32,816	25,462
Total assets	491,691	521,395	542,187
Deposits of non-bank customers	302,851	314,907	342,395
Deposits and balances of banks	8,250	9,586	8,239
Total liabilities	443,088	470,219	487,849
Total equity	48,603	51,176	54,338
Credit quality information:			
Total non-performing loans	3,838	3,917	4,215
Total non-performing loans as a percentage of gross loans	1.5%	1.5%	1.5%
Total non-performing assets	3,883	4,005	4,338
Substandard	2,330	2,171	2,398
Doubtful	1,119	1,511	1,405
Loss	434	323	535
Allowances for impaired assets	1,397	1,815	1,537
Consolidated capital information:			
Common Equity Tier 1 capital	31,800	33,206	34,845
Tier 1 capital	33,331	34,436	36,076
Eligible total capital	35,992	38,966	39,573
Total risk weighted assets	213,356	218,145	224,866
CET1 CAR	14.9%	15.2%	15.5%
Tier 1 CAR	15.6%	15.8%	16.0%
Total CAR	16.8%	17.9%	17.6%

Note:

(1) Net of allowances.

RISK FACTORS

Prior to making an investment decision, investors should carefully consider, along with other matters set forth in this Offering Memorandum, the following risk factors. These risk factors are not necessarily of equal importance, likelihood of occurrence or duration. Additionally, some risk factors may be related to others, and the occurrence of events described in one risk factor could increase the likelihood of occurrence of events described in others. The occurrence of any of the following events could have a material adverse effect on our business including our ability to grow our asset portfolio, the quality of our assets, our liquidity, our financial performance, our ability to implement our strategy and our ability to repay the interest or principal on the Notes in a timely fashion or at all. Terms used but not defined in this or prior sections have the meanings given to them in the other sections of this Offering Memorandum.

Risks Relating to the Current Financial Environment

Global and regional geopolitical economic and financial conditions could adversely affect our operations, asset quality and growth and cause our business to suffer.

The OCBC Group has been, and in the future will continue to be, materially affected by geopolitical, economic and market conditions, including factors such as the liquidity of the global financial markets, the level and volatility of debt and equity prices, interest rates, currency and commodity prices, investor sentiment, inflation and the availability and cost of capital and credit.

There are a number of uncertainties ahead in the global markets. The continuing COVID-19 pandemic worldwide, including the places of businesses at which OCBC Group operates, has a significant adverse impact on the global economy due to the disruptions around the world and across all social and economic activities, causing large scale dislocation to global supply chains, border controls and travel restrictions, halting production, restricted labor supply, reducing demand and inflicting loss in income. It has also resulted in weakened sentiment in consumption and retail, travel, hospitality related sectors and overall confidence. As COVID-19 evolves into a more livable endemic, there will be more pressures to re-shore certain manufacturing activities and ensure self-sufficiency while putting more emphasis on diversification of the production bases away from China. In addition, the emergence of new COVID-19 variants could lead to resurgence in infection rates and re-imposition of tight border control and disruptions and restrictions on movement and economic activities, posing further economic growth risk. The resurgence in infection rates and fatalities could lead to further restrictions which in turn could prolong production and supply-chain disruptions and delay the restoration of business and consumer confidence. These may result in a prolonged global economic crisis or recession, which may in turn adversely impact the OCBC Group's business, financial condition and results of operations.

While the OCBC Group maintains capital buffers above the regulatory requirement, the market volatility arising from the COVID-19 outbreak may have a material impact on the OCBC Group's capital position. In the event of a continued market downturn and/or sustained market volatility, there is no assurance that the OCBC Group's business, financial condition and results of operations would not be materially affected.

In China, concerns include bilateral trade relations and friction with the U.S. and managing an economic slowdown and putting in place new legal frameworks to deal with an expected rise in defaults in its bond market amidst continued structural imbalances in the China economy. The Sino-US trade tensions have brought uncertainty into world markets with the imposition of tariffs on products and foreign technology restrictions. These restrictions and tariffs have disrupted supply chains, created uncertainty for companies, raised costs for consumers and caused the global growth to slow. Policymakers are steering the economy towards a path of sustainable growth for the long term, which has resulted in slower growth as the economy shifts away from relying on real estate investment and towards relying on consumption and services to drive growth. China's rising leverage is also a growing risk and it continues to face vulnerabilities associated with high corporate indebtedness, particularly in sectors with overcapacity and deteriorating profitability. Credit growth still outpaces nominal GDP growth, despite monetary and regulatory tightening.

The implications for the world and the OCBC Group are significant. First, a rise in global trade protectionism will negatively impact the trade-dependent economies in Asia. Second, with the world entering a third year of the pandemic in 2022, the end of the moratorium on loan repayments and reduction of governments' fiscal stimulus plans could expose bad loans and asset quality on banks' balance sheets, although this has been modest thus far. Third, normalization of monetary policies, such as the tapering of asset purchase and interest rate hikes, have also started in various parts of the world and if mis-calibrated, could have adverse implications to economic growth. On the other hand, if inflation is not managed properly by governments and central banks and there is a continued sharper-than-expected rise in inflation, this could also lead to more downside risks for global economies and impact economic growth, including in the countries we operate in. Fourth, while the OCBC Group's direct exposures in Europe and the United Kingdom are not material, financial market volatility and increased uncertainty may have a broader global economic impact that may in turn have a material adverse effect on the OCBC Group's business, financial condition and results of operations.

To the extent uncertainty regarding the economic outlook continues to negatively impact consumer confidence and consumer credit factors globally, the OCBC Group's business and results of operations could be significantly and adversely affected. See further "Risk Factors – Risks relating to the Current Financial Environment" – Terrorism, epidemics and other events could adversely affect the economies of countries where we operate and our business" for details on the impact of COVID-19 on the OCBC Group's business and results of operations.

We offer banking and financial services to our customers globally and throughout the Asia Pacific region, particularly to those in Singapore, Greater China, Malaysia and Indonesia. As such, our financial performance, business growth and portfolio quality are substantially dependent on the health of the economies of Singapore, Greater China, Malaysia and Indonesia, which in turn are heavily dependent on international trade, investment and other global economic factors discussed above.

A further slowdown in the rate of growth or a contraction in the Singaporean or the Malaysian economy or other markets in which we operate, such as Indonesia or Greater China, could result in lower demand for credit and other financial products and services and higher defaults among corporate and retail borrowers, which could materially and adversely impact our business, financial condition, results of operations and prospects. The Malaysian economy remains susceptible to internal sizable household debt levels and external shocks such as a global growth slowdown or geopolitical tensions. In Indonesia, faster and larger increases in U.S. interest rates are risks to the Indonesian economy's prospects, as they could lead to capital outflows and put pressure on the Indonesian Rupiah.

Our operations are exposed to the political and social environment of the countries in which we operate. Volatility in social and political conditions and geopolitical risks may interrupt, limit or otherwise affect our operations and in turn adversely affect our business, financial condition, results of operations and prospects. Additionally, the political instability in the Middle East is still ongoing. Geopolitical tensions in the Indo-pacific region may also continue to disrupt regional stability. The ongoing war between Russia and Ukraine has also caused disruptions to global supply chains, increased inflationary pressures from a rise in energy and commodities prices and increased volatility in global markets. The addition of various types of sanctions on Russia, Russian banks and businesses and certain Russian individuals by the U.S., the European Union and other countries, including Singapore, could also disrupt businesses and cause greater geopolitical uncertainty globally. The fast-growing refugee situation in Europe as a result of the Russia-Ukraine conflict may also negatively European economies. Such conflicts and geopolitical tensions, especially if protracted, could have a material impact on economic growth and global markets, including in the countries we operate in.

The regulatory environment for financial institutions is facing unprecedented change in the post-financial crisis environment, and regulators are increasingly viewing us, as well as other financial institutions globally, as generally presenting a higher risk profile than in the past.

We are subject to a wide variety of banking, insurance and financial services laws, regulations, regulatory policies and many regulatory and enforcement authorities in several jurisdictions. The global financial crisis in particular has led to significant and unprecedented changes in the laws, regulations and regulatory policies of Singapore and the other jurisdictions in which we operate. Such changes may include new, revised or more burdensome standards with respect to regulatory capital requirements, leverage or liquidity standards, cross-border capital flows, local lending obligations, management compensation, consumer protection and risk management, among other areas. We may also incur increased compliance costs associated with laws, regulations and standards enacted outside of our primary markets, such as the United States Foreign Account Tax Compliance Act and the Common Reporting Standard developed by the Organization for Economic Co-operation and Development.

The MAS and other regulators regularly review our operations and there can be no guarantee that any regulator will agree with our internal assessments of asset quality, provisions, risk management, capital adequacy, management functioning, other measures of the safety and soundness of our operations or compliance with applicable laws, regulations or regulatory policies. Our ability to predict future legal or regulatory changes is limited and we may face greatly enhanced legal or regulatory burdens without advanced notice. We cannot predict the timing or form of any current or future regulatory or law enforcement initiatives, which are increasingly common for international banks and financial institutions.

Any such changes to laws, regulations or regulatory policies, including their interpretation or application, may result in increased expenses or operational restrictions, revisions to our business operations, limitations on the products and services we offer, diminished asset values, increased cost of funds or limits on the collateral available for our loans, which may reduce our profitability or force us to forgo potentially profitable business opportunities. In addition, we may face adverse legal or regulatory actions and higher compliance costs from the increased review and scrutiny. Regulators may find that we are not in compliance with applicable laws, regulations or regulatory policies or with the regulators' revised interpretations of such laws, regulations or regulatory policies, and may take formal or informal actions against us. If taken, such formal or informal actions might force us to make additional provision for our non-performing assets, divest our assets, adopt new compliance programs or policies, remove personnel or undertake other changes to our business operations. Any of these changes, if required, could reduce our profitability by restricting our operations, reducing our capitalization, imposing new costs or harming our reputation.

Systemic risk resulting from failures in the banking industry and financial difficulties of other financial institutions could adversely affect our business, financial condition, results of operations and prospects.

Within the banking industry, the default of any institution could lead to defaults by other institutions. Concerns about, or a default by, one institution could lead to significant liquidity problems, losses or defaults by other institutions because the commercial soundness of many financial institutions may be closely related as a result of their credit, trading, clearing or other relationships. This risk is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with whom we interact on a daily basis. Any default by other institutions or any difficulties or instability of the financial system in general could create an adverse market perception and materially and adversely affect our business, financial condition, results of operations and prospects.

Risks Relating to Our Business

We face increased competition which may result in decreased loan margins and reduce our market share.

We face intense competition from other commercial banks, investment banks, insurance companies and non-bank finance companies. Our primary competitors consist of other Singapore banks, major foreign banks licensed in Singapore and other financial institutions in Southeast Asia, Greater China and other markets in which we operate.

In recent years, the Singapore government has taken steps to liberalize the Singapore banking industry, which has resulted in increased competition among domestic and foreign banks operating in Singapore, leading to reduced margins for certain banking products. In particular, the MAS, which supervises banks in Singapore, has granted Qualifying Full Bank ("**QFB**") licenses to various foreign financial institutions since 1999. QFBs are permitted to establish operations in up to 25 service locations in Singapore which can be used for branches or off-site Automated Teller Machines ("**ATMs**") or cash deposit machines, and are also permitted to share ATMs among themselves. Foreign banks granted such licenses face fewer restrictions on their Singapore dollar deposit-taking and lending activities. In June 2012, the MAS indicated that it will continue to allow greater foreign bank participation in the Singapore banking industry and refine the QFB system, including the addition of the "significant rooted foreign bank" ("**SRFB**") framework. Certain QFBs that meet MAS' qualifications for being "significantly rooted" and are from jurisdictions that have a Free Trade Agreement with Singapore may be allowed to have an additional 25 places of business in Singapore, of which 10 may be branches. The MAS announced in August 2020 that SRFB privileges will be awarded to one of the other banks in Singapore, and that the SRFB framework will be enhanced such that the MAS will consider granting an additional full bank license to an SRFB that substantially exceeds the SRFB baseline criteria, enabling such an SFRB to have the flexibility to establish subsidiaries, including with joint-venture partners, to operate new or alternative business models. In recent years, the Singapore government has also allowed more foreign banks to obtain "wholesale banking" licenses to enable them to expand their Singapore dollar wholesale banking business in Singapore and to broaden the scope of Singapore dollar banking activities in which foreign banks may participate. Further, since the implementation of the United States Singapore Free Trade Agreement, which was signed in May 2003, Singapore banks, including us, are subject to additional competition in areas that were traditionally the stronghold of local banks. This trade agreement has removed QFB and wholesale bank license quotas for U.S. banks and significantly relaxed certain other restrictions on international banking activities. The European Union-Singapore Free Trade Agreement, which entered into force in November 2019, also included SRFB commitments. Further liberalization of the Singapore financial sector could lead to a greater presence or new entries of domestic and foreign banks offering a wider range of products and services, which could adversely impact our competitive environment.

In December 2020, the MAS announced the successful applicants of two digital full bank ("**DFB**") licenses and two digital wholesale bank ("**DWB**") licenses. The new digital banks are expected to commence operations in 2022. The digital bank licenses will allow entities, including non-bank players, to conduct digital banking businesses in Singapore. Additionally, one of the other banks in Singapore which was awarded SFRB privileges has also announced a digital banking joint venture with NTUC Enterprise Co-operative Limited to launch a digital-only bank in Singapore.

There can be no assurance that we will be able to maintain our competitive position or compete successfully with other domestic and foreign financial institutions or that such increased competition will not have a material adverse effect on our business. If we are unable to provide competitive products and services or fail to attract new customers and/or retain existing customers, we may experience decreases on our interest, fee and commission income, and/or lose market share, the occurrence of any of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

We may be exposed to new or increased risks as we expand the range of our products and services and the geographic scope of our business.

Building growth in overseas markets forms a key pillar of our strategy.

Our regional expansion into Indonesia, Greater China and other Asian markets outside of Singapore and Malaysia increases our risk profile and exposure to asset quality problems. This expansion and operation of our overseas business and our strategy to further deepen our presence in the international markets may further increase our exposure to risks of adverse developments in foreign economies and markets, including interest rate and foreign exchange rate risk and regulatory and political risk. Our overseas expansion also exposes us to the compliance risks and the credit and market risks specific to the countries and regions in which we operate. There can be no assurance that such regional expansion will not have a material adverse effect on our business, financial condition, results of operations and prospects, or that our credit and provisioning policies will be adequate in relation to such risks.

Taking into consideration the fluctuations and changes in customer behavior, rising smart device and social media usage as well as increasing use of non-bank players for effecting payments, traditional banking is fast changing. The rapidly changing financial landscape, advances in the application of digital technology and the attendant cyber security risks, together with the entry of global e-commerce platform and Fintech companies offering financial services, require us to be highly adaptable and responsive to the new demands and competition. As part of our business strategy, we are expanding our distribution channels and our range of products and services beyond our traditional commercial banking business to other services. Accordingly, we will need to develop, invest in and implement systems to manage new products and services and distribution channels. We may incur expenses necessary to address regulatory requirements that enhance consumer protections, including improvements to information technology systems and employee training. There may be risks associated with our new services and businesses for which we have limited or no experience. As a result, our risk management systems may prove to be insufficient and may not be effective in all cases or to the degree required. Further, while digitalization has provided new business opportunities, it has also introduced new and increased cyber risk exposures for the Group. Despite increased investments in digital technologies and new digital initiatives, digitalization remains a fast moving and evolving landscape and there can be no assurance that the Group will be able to fully and successfully execute its strategy in the digitalization space.

Any substantial increase in non-performing assets, non-performing loans and allowances could impair our financial condition.

Our financial condition and results of operations have been and will continue to be affected by the quality of our assets, including loans and allowances. If unexpected domestic or global economic events happen, our borrowers do not repay their loans, and past experience, evaluations, assumptions and estimates about our borrowers, valuation of collateral and guarantees, changes in levels of market interest rates, and general economic and business conditions upon which our allowances are based fail to provide an accurate representation of actual future incurred losses, among other things, our non-performing assets, NPLs and allowances may increase significantly above the current level. Changes in law or government policies that have an adverse impact on the rights of creditors could also cause us to incur increased credit costs.

If we are not able to control or reduce the level of non-performing assets and NPLs, the overall quality of our assets may deteriorate, and we may become subject to enhanced regulatory oversight and scrutiny and our reputation, business, financial condition, results of operations, prospects and capital adequacy ratios may be materially and adversely affected.

A decline in the value of our collateral, including real estate, may increase our loan loss allowances and result in failure to recover the expected value of collateral security, exposing us to a potential loss.

Adverse changes in the credit quality of our borrowers and counterparties or adverse changes arising from a deterioration in global and regional economic conditions or asset values could reduce the value of our assets. In particular, a significant portion of our loan portfolio is secured by real estate. In the event of a downturn in the real estate markets in Singapore or the other markets in which we conduct business, changes in asset prices may cause the value of our collateral to decline and a portion of our loans may exceed the value of the underlying collateral.

Any decline in the value of the collateral securing our loans or failure to recover the expected value of collateral may require us to increase our loan loss allowances. In the event of default, this may increase our losses if we are unable to obtain additional collateral or realize the value of existing collateral, any of which could materially and adversely affect our business, financial condition, results of operations and prospects.

Our funding is predominantly short-term or repayable on demand, and liquidity shortfalls may increase our cost of funds and materially and adversely affect our business, financial condition, results of operations and prospects.

We need liquidity to pay our operating expenses, pay interest on and principal of debt, maintain our lending activities and meet deposit withdrawals and regulatory requirements. Most of our funding requirements are met through a combination of funding sources, primarily in the form of deposit-taking activities, issuance of debt securities and interbank funding.

A significant portion of our deposits has current maturities of one year or less or is payable on demand. Such deposits are mainly from savings deposits, term and current account and demand deposits. Because a large portion of our assets has medium or long-term maturities and may be in different currencies, this creates a potential for funding mismatches. Although our deposit base is currently diversified and does not rely solely on any significant depositor, no assurance can be given that this will continue or that factors affecting a large portion of our depositor base, such as factors affecting the Singaporean economy, will not limit our access to deposits. High volumes of deposit withdrawals, failure of a substantial number of our depositors to roll over deposited funds upon maturity or to replace deposited funds with fresh deposits or our inability to grow our deposit base or a disproportionate increase in the cost of deposits relative to our return on assets, could each have an adverse effect on our liquidity position. In such a situation, we could be required to seek alternative short-term and long-term funds, or alternative foreign currency funds, to meet our liquidity requirements, these alternative funds may be more expensive than current funding sources and may also increase our exposure to interest rate changes, which could materially and adversely affect our business, financial condition, results of operations and prospects.

In addition, circumstances outside our control, such as adverse market and economic conditions in the domestic and global economies, disruptions in the financial markets or negative developments concerning other financial institutions perceived to be comparable to us, may limit or adversely affect our access to liquidity required to operate our business. If our counterparties or the markets are reluctant to finance our operations due to actual or perceived weaknesses in our business as a result of large losses, changes in our credit ratings, a general decline in the level of business activity in the financial services sector or other factors, we may be unable to meet our payment obligations when they become due or only be able to meet them with funding obtained at unfavorable terms. Without sufficient liquidity, we will be forced to curtail our operations, and our business, financial condition, results of operations and prospects would be materially and adversely affected.

Our risk management policies, procedures and framework may not adequately address unidentified or unanticipated risks.

We are constantly exposed to significant credit, market and operational risks and we have devoted significant resources to strengthening our risk management policies and procedures to mitigate and manage such risks. Nevertheless, in light of the continuing evolution of our operations and expansion into new areas, our policies and procedures designed to identify, monitor and manage risks may not be fully effective in time.

Our risk management systems are dependent on our ability to properly identify, and mark-to-market, changes in the value of financial instruments caused by changes in market prices or rates. If the available information which we evaluate and on which our risk management procedures depend is not accurate, our anticipation of risks could be adversely affected. Moreover, severe declines in asset values, unanticipated credit events or unforeseen circumstances that may cause previously uncorrelated factors to become correlated may create losses resulting from risks not appropriately taken into account.

Our risk management strategies may not be effective in a difficult or less liquid market environment because other market participants may be attempting to use the same or similar strategies to deal with difficult market conditions. In such circumstances, it may be difficult for us to reduce our risk positions due to the activity of such other market participants. To the extent any of the instruments and strategies we use to hedge or otherwise manage our exposure to market or credit risk are not effective, we may not be able to mitigate effectively our risk exposures in particular market environments or against particular types of risk.

To the extent our assessments, assumptions or estimates prove inaccurate or not predictive of actual results, we could suffer higher than anticipated losses and enhanced regulatory scrutiny. Furthermore, investigations, administrative actions or litigation could commence in relation to violations, which may involve costs, including possible deterioration of our reputation, and affect the evaluation of our credit ratings by rating agencies. This, in turn, could have a material adverse impact on our business, financial condition, results of operations and prospects.

We may face pressure on our capital and liquidity positions due to Basel III or other relevant regulatory requirements, which could constrain our operations.

On December 16, 2010, the Basel Committee on Banking Supervision (the "**Basel Committee**") published Basel III: A global regulatory framework for more resilient banks and banking systems ("**Basel III**"), which presents the details of global regulatory standards on bank capital adequacy and liquidity, aimed at strengthening the resilience of the banking sector. Basel III sets out higher capital standards for banks, and introduced two global liquidity standards: the "Liquidity Coverage Ratio" and the "Net Stable Funding Ratio". The Liquidity Coverage Ratio promotes the short-term resilience of a bank's liquidity risk profile by ensuring that it has sufficient high-quality liquid assets to survive a significant stress scenario lasting for 30 days. The Net Stable Funding Ratio aims to mitigate funding risk over a longer time horizon by requiring banks to fund their activities with sufficiently stable sources of funding.

On January 13, 2011, the Basel Committee also published requirements for all non-common Tier 1 and Tier 2 capital instruments issued on or after January 1, 2013 to be loss absorbing at the point of non-viability.

On September 14, 2012, the MAS re-issued the MAS Notice 637 on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore ("**MAS Notice 637**") to implement the Basel III capital adequacy framework for Singapore. The Basel III capital standards came into effect on January 1, 2013 and were progressively phased in on January 1 each year, from 2013 to 2019. Singapore-incorporated banks that are designated by the MAS as domestic systemically important banks ("**D-SIBs**") are required to meet minimum Common Equity Tier 1 ("**CET1**"), Tier 1, and total capital adequacy ratios ("**CAR**") of 6.5%, 8.0%, and 10.0%, respectively. These minimum ratios are two percentage points higher than those established by the Basel Committee.

To ensure that banks build up adequate capital buffer outside periods of stress, a Capital Conservation Buffer ("**CCB**") of 2.5 percentage points above the minimum capital adequacy requirements was introduced. The CCB is to be maintained in the form of CET1 capital, and began at 0.625% on January 1, 2016, and increased by 0.625 percentage point on January 1 each year, to reach 2.5% on January 1, 2019. Including the CCB, D-SIBs incorporated in Singapore have been required to meet CET1 CAR, Tier 1 CAR and total CAR of 9.0%, 10.5% and 12.5%, respectively, from January 1, 2019.

In addition, Singapore-incorporated banks will be subject to a Countercyclical Buffer requirement if this buffer is applied by regulators in countries which the Group has credit exposures to. The Countercyclical Buffer is not an ongoing requirement but it may be applied by regulators to limit excessive credit growth in their economy. In the range of 0% to 2.5% of risk-weighted assets, the actual magnitude of the Countercyclical Buffer applicable under MAS Notice 637 is the weighted average of the country-specific Countercyclical Buffer requirements that are being applied by the regulators in the countries to which the Group has private sector credit exposures.

On December 28, 2017, MAS revised MAS Notice 637 to introduce a minimum leverage ratio requirement of 3.0% at the Solo and Group levels with effect from January 1, 2018.

On March 31, 2020, MAS revised MAS Notice 637 to allow full recognition of balances maintained in regulatory loss allowance reserve accounts pursuant to paragraph 6.3 of MAS Notice 612 on Credit Files, Grading and Provisioning ("**MAS Notice 612**") as Tier 2 Capital, as a temporary relief to enable financial institutions to focus on dealing with issues related to COVID-19 pandemic and supporting their customers during this difficult period. The relief was applicable from March 31, 2020 to September 30, 2021.

On January 1, 2022, MAS revised MAS Notice 637 to incorporate clarifications by the Basel Committee on Banking Supervision to the standardized approach for counterparty credit risk framework and the revised capital requirements for bank exposures to central counterparties.

In December 2017, the Basel Committee finalized certain changes to the Basel III post-crisis regulatory reforms, including revisions to the standardized as well as internal ratings-based approaches to measuring credit risk. On May 7, 2019, the MAS released a consultation paper on "Proposed Implementation of the Final Basel III Reforms in Singapore", seeking feedback on proposed revisions to the risk-based capital requirements and leverage ratio requirements for Singapore-incorporated banks to align with the Basel III reforms, and to implement these revisions from January 1, 2022. On April 7, 2020, the MAS announced the deferment of the final set of Basel III reforms for banks in Singapore by one year to January 1, 2023. On December 17, 2020, the MAS released its "Response to Feedback Received on the Proposed Implementation of the Final Basel III Reforms in Singapore – Operational Risk Capital and Leverage Ratio Requirements". On March 25, 2021, the MAS released its "Response to Feedback Received on the Proposed Implementation of the Final Basel III Reforms in Singapore – Credit Risk Capital and Output Floor Requirements". On the same day, the MAS also released a consultation paper on "Draft Standards for Credit Risk Capital and Output Floor Requirements for Singapore-incorporated banks", seeking feedback on proposed amendments to MAS 637 in respect of credit risk capital and output floor requirements which take into account this Response. The revised standards are expected to take effect from January 1, 2023, with transitional arrangements provided for implementation of the output floor till January 1, 2028. On September 13, 2021, the MAS published its "Response to Feedback Received on the Proposed Implementation of the Final Basel III Reforms in Singapore – Market Risk Capital Requirements". The MAS also released a consultation paper on "Draft Standards for Market Risk Capital and Capital Reporting Requirements for Singapore-Incorporated Banks" seeking feedback on draft standards relating to market risk capital and capital reporting requirements for Singapore-incorporated banks. Under this consultation paper, amendments have been proposed to MAS Notice 637 to take into account the aforementioned Response as well as standards relating to market risk capital requirements in the

consolidated Basel Framework published by the Basel Committee on Banking Supervision. MAS intends to implement the revised standards for market risk capital for supervisory reporting purposes from January 1, 2023, and for the purposes of compliance with capital adequacy and disclosure requirements from January 1, 2023 or later. These proposals, if implemented, can affect the way banks in Singapore calculate their exposures, which may in turn affect their capital or liquidity requirements.

On November 28, 2014, the MAS issued MAS Notice 649 on Minimum Liquid Assets and Liquidity Coverage Ratio ("**MAS Notice 649**"). MAS Notice 649, which took effect on January 1, 2015 and applies to banks in Singapore, introduced a new liquidity requirement framework to implement the Basel III liquidity coverage ratio ("**LCR**") rules. Under MAS Notice 649, a bank that has been notified by the MAS that it is a D-SIB which is incorporated in Singapore and whose head office or parent bank is incorporated in Singapore shall maintain at all times, a Singapore Dollar LCR ("**Singapore Dollar LCR requirement**") of at least 100% and an all currency LCR ("**all currency LCR requirement**") of at least 60% by January 1, 2015, with the all currency LCR requirement increasing by 10% each year to 100% by 2019.There is no assurance that the Group will not face increased pressure in the future to comply with the MAS' capital adequacy or liquidity requirements, which may have a material adverse effect on the Group's return on capital and profitability.

On July 10, 2017, the MAS issued a new MAS Notice 652 on Net Stable Funding Ratio ("**MAS Notice 652**") which applies to D-SIBs and internationally active banks. MAS Notice 652 took effect from January 1, 2018 (save for the Required Stable Funding add-on for derivative liabilities, which took effect from October 1, 2019). Under MAS Notice 652, a D-SIB incorporated in Singapore and whose head office or parent bank is incorporated in Singapore must maintain a consolidated all-currency Group Net Stable Funding Ratio ("**NSFR**") of at least 100% on a consolidated level (excluding certain banking group entities such as an insurance subsidiary). As a temporary measure due to COVID-19, MAS Notice 652 was amended with effect from April 8, 2020 to (a) lower the required stable funding factors for all loans from a D-SIB or an internationally active bank to non-financial corporates, retail customers and small business customers, that have a residual maturity of less than six months, from 50% to 25% for the period between April 8, 2020 and September 30, 2021 (both dates inclusive); and (b) gradually phase back the required stable funding factors in (a) from 25% to 50% by April 1, 2022.

If our capital adequacy and liquidity ratios fall below the required levels, the MAS could require us to take a variety of corrective actions, including additional capital or fund raising, withdrawal from international operations or suspension of all or part of our operations, which in turn may have a material adverse effect on our business, financial condition, results of operations and prospects.

In addition, some of our banking subsidiaries and affiliates in jurisdictions outside Singapore will be subject to local Basel III or other capital adequacy and liquidity requirements, as and when the Basel III framework or other relevant regulation is adopted and implemented by the relevant local regulatory authorities. There is no assurance that our banking subsidiaries and affiliates will not face pressure to meet local Basel III or other relevant regulatory requirements, and any failure by our subsidiaries to meet such requirements may result in administrative actions or sanctions imposed by local regulatory authorities.

We were designated as a D-SIB in Singapore on April 30, 2015. Broadly, D-SIBs are subject to more intensive supervision by the MAS than banks not so designated. In particular, there is no assurance that the MAS will not impose increased capital adequacy or liquidity requirements on D-SIBs, which may have an adverse effect on our return on capital and profitability.

Losses on our investments may have a material adverse effect on our business, financial condition, results of operations and prospects.

Our investment returns, and thus our profitability, may be materially and adversely affected by conditions affecting our investments, including the level or volatility of interest rates or prices, currency exchange rates, credit and liquidity conditions, the performance and volatility of capital markets, asset values, and macroeconomic and geopolitical conditions, all of which could, in turn, have a material adverse effect on our business, financial condition, results of operations and prospects.

We have investments in debt securities. Increases in interest rates could substantially decrease the value of our fixed income portfolio, and any unexpected change in yield curves could adversely affect the value of our bonds and interest rate derivative positions, resulting in lower-than-expected income or losses from trading and investment activities. Market volatility may also result in significant unrealized losses or impairment losses on our investments. Furthermore, ratings downgrades of investment securities by major rating agencies may also cause declines in the value of our securities portfolio.

We also hold Singapore government securities and securities of other governments. Investment in sovereign debt obligations involves direct or indirect risks resulting from political, governmental, social or economic changes in the countries of such sovereign issuers and the creditworthiness of such sovereign issuers. Investing in such instruments creates exposure to the direct or indirect consequences of political, governmental, social or economic changes in the countries in which the issuers are located and the creditworthiness of the sovereign. In addition, the issuer of the debt or the governmental authorities that control the repayment of the debt may be unable or unwilling to repay principal or pay interest when due in accordance with the terms of such debt, and we may have limited recourse to compel payment in the event of a default. If a sovereign were to default on its obligations, this could have a material adverse effect on our business, financial condition, results of operations and prospects.

Furthermore, our operations outside Singapore are subject to fluctuations in foreign exchange rates and a portion of our assets and liabilities in Singapore are denominated in foreign currencies which could be adversely affected by currency exchange rate fluctuations. To the extent that our foreign currency denominated assets and liabilities are not matched in the same currency or appropriately hedged, fluctuations in foreign currencies against the Singapore dollar will create foreign currency translation gains or losses and may materially and adversely affect our business, financial condition, results of operations and prospects. For further information, see "Business – Risk Management – Asset Liability Management – Structural Foreign Exchange Risk".

Our business relies on our information technology systems, and significant security breaches in our computer system and network infrastructure or system failures could harm our relationships with customers, adversely affect our provision of services to customers, subject us to sanctions by our regulators and materially and adversely impact our business and reputation.

In all aspects of our business, we use information technology systems to deliver services to and perform transactions on behalf of our customers, as well as for back office operations. We therefore depend on the capacity and reliability of the electronic and information technology systems supporting our operations. There can be no assurance that we will not encounter service disruptions owing to failures of these information technology systems. Our information technology systems are subject to damage or incapacitation as a result of quality problems, human error, natural disasters, power loss, sabotage, computer viruses, acts of terrorism and similar events. In addition, we may not be prepared to address all contingencies that could arise in the event of a major disruption of services.

Physical or electronic break-ins, security breaches, service disruptions and other disruptive problems caused by our increased use of the internet or power disruptions could also affect the security of information stored in and transmitted through our computer systems and network infrastructure. Although we have implemented security technology and operational procedures, including firewalls, tokens and password encryption technologies, designed to minimize the risk of security breaches, and we intend to continue to implement such security technologies, conduct regular vulnerability assessments and network penetration tests and establish operational procedures to prevent any such break-ins, damages and failures, there can be no assurance that these security measures will be successful. In addition, although our centralized data center and backup systems are separately located in different places, there can be no assurance that both systems will not be simultaneously damaged or destroyed in the event of a major disaster. A significant breakdown in internal controls, fraudulent activities by employees, major service disruptions or failure of security measures or backup systems could significantly affect our operations, result in enhanced regulatory scrutiny and could result and have resulted in the past in regulatory or administrative sanctions and consequently could have a material adverse effect on our business, financial condition, results of operations and prospects.

We handle personal information obtained from our individual and corporate customers in relation to our banking, securities, credit card, insurance and other businesses. The controls we have implemented to protect the confidentiality of personal information, including those designed to meet the strict requirements of banking secrecy laws, may not be effective in preventing unauthorized disclosure of personal information. Leakage of personal information could expose us to lawsuits, administrative or regulatory actions or sanctions and reputational harm, thereby materially and adversely affecting our business, financial condition, results of operations and prospects. Our customers may be the victims of phishing scams, providing cyber criminals access to their accounts, or credit or debit card information. In these situations, we incur costs to replace compromised cards and address fraudulent transaction activity affecting our customers. In January 2022, we arranged for S$13.7 million in full goodwill payouts to cover amounts lost in text messaging scams.

Fraud or other misconduct by employees or third parties could expose us to losses and regulatory sanctions.

Our business operations are based on a high volume of transactions. Although we take adequate measures to safeguard against fraud, there can be no assurance that we will be able to prevent fraud. We are exposed to potential losses resulting from fraud and other misconduct by our employees. Our employees may bind us to transactions that exceed authorized limits or present unacceptable risks, hide unauthorized activities from us and from our customers, neglect to carry out their duties properly, conduct improper sales activities, improperly use confidential information or otherwise abuse customer confidences. Third parties may engage in fraudulent activities, including fraudulent use of bank accounts or the use of false identities to open accounts for money laundering, tax evasion or other illegal purposes. Third parties could also use stolen or forged ATM cards or engage in credit card fraud, and we may be required to indemnify victims of such fraud for related losses. In the broad range of businesses in which we engage, fraud and other misconduct are difficult to prevent or detect, and we may not be able to recover the losses caused by these activities. Our reputation could be adversely affected by fraud or other unauthorized actions committed by employees, representatives, agents, customers or outsiders, or by our perceived inability or failure to properly manage fraud-related risks and our inability or perceived inability to manage these risks could lead to ensuing inquiries or investigations and enhanced regulatory oversight and scrutiny. The occurrence of any of the above could materially and adversely affect our business, financial condition, results of operations and prospects.

We are exposed to derivative financial instruments and market counterparties and any deterioration of creditworthiness of counterparties and/or adverse market impact on fair value of derivatives may have a material adverse effect on our business, financial condition, results of operations and prospects.

As part of our trading, hedging and other operations, we have exposure to derivative financial instruments which are carried at fair value. The fair value of these derivatives and our exposure to the risk of default by the underlying counterparties depends on the valuation and the perceived risk of the derivatives as well as on the creditworthiness of the relevant counterparty.

In addition, lawmakers and regulators may adopt and/or propose legislation containing restrictions that could adversely impact the liquidity of and increase costs of participating in the derivative markets. These legislative and regulatory changes, and the resulting increased costs and regulatory oversight requirements, could result in market participants being required to, or deciding to, limit their trading activities, which could cause reductions in market liquidity and increases in market volatility. In addition, transaction costs incurred by market participants are likely to be higher than in the past, reflecting the costs of compliance with the new regulations. These consequences could adversely affect the fair value of derivatives, which could in turn adversely affect our business, financial condition, results of operations and prospects.

We may seek opportunities for growth through acquisitions and could face integration and other acquisition risks.

We may seek opportunities for growth through acquisitions. There can be no assurance that we will not actively pursue other acquisitions or mergers in the Singapore market or elsewhere or that any of these efforts will be successful. The success of the acquisitions depends heavily on a smooth integration of post-merger operations. Potential difficulties of the integration process may include delays or difficulty in harmonizing support functions and business work streams. Benefits of the acquisition may not be realized if the post-merger integration is not well executed or well received by each bank's employees or historical customers and may adversely affect our business and financial results. Any future acquisitions or mergers, both domestic or international, may involve a number of risks, including the possibility of a deterioration of asset quality and regulatory capital ratios, financial impact of employee-related liabilities, diversion of our management's attention required to integrate the acquired business and the failure to retain key acquired personnel and clients, leverage synergies or rationalize operations, or develop the skills required for new businesses and markets, or unknown and known liabilities including any ongoing litigation, claims or disputes concerning such acquisition, merger, our shareholders, share capital or our legal and regulatory compliance obligations or practices, some or all of which could have an adverse effect on our business. There can be no assurance that we will be able to successfully integrate with or into any such acquired businesses, or that such mergers or acquisitions will not have a material adverse effect on our business, financial condition, results of operations and prospects.

Local regulations may also limit our ability to successfully complete acquisitions outside of Singapore. We cannot assure you that future regulations will not limit our ability to expand our operations outside of Singapore or require us to divest existing interests.

Fee and commission income have become important elements of our profitability, and economic and market conditions could cause these income streams to decline and adversely impact our financial performance.

We earn fee and commission income from a variety of activities, including brokerage, fund management, distribution of investment and insurance products, credit cards, wealth management, transaction banking, trade finance, loan and debt syndication and advisory services for corporate clients. Our fee and commission income is therefore impacted by market demand for

these products and services, investment and risk appetite, the level of corporate activity and the overall level of economic and trade activity. Volatile market conditions may also have an adverse impact on various streams of our fee and commission income, including brokerage, fund management, distribution of investment and insurance products, the wealth management business and the level of corporate activity. The above factors could cause these income streams to decline in the future and materially and adversely impact our business, financial condition, results of operations and prospects.

We depend on the accuracy and completeness of information about customers and counterparties.

In deciding whether to extend credit or enter into other transactions with customers and counterparties, we may rely on information furnished to us by or on behalf of customers and counterparties, including financial statements and other financial information. We may also rely on certain representations as to the accuracy and completeness of that information and, with respect to financial statements, on reports of independent auditors. For example, in deciding whether to extend credit, we may assume that a customer's audited financial statements conform to generally accepted accounting principles and present fairly, in all material respects, the financial condition, results of operations and cash flows of the customer. If we rely on financial statements that do not comply with generally accepted accounting principles or other information that is materially misleading, our business, financial condition, results of operations and prospects could be materially and adversely affected.

Terrorism, epidemics and other events could adversely affect the economies of countries where we operate and our business.

Terrorist attacks, natural calamities and outbreaks of communicable diseases could lead to disruptions in the functioning of international financial markets and adversely affect Singapore and other economies in which we operate. For example, the COVID-19 outbreak has spread to many parts of the world, resulting in, among other things, ongoing travel and transportation restrictions and increased volatility in international capital markets. In particular, the COVID-19 outbreak has also caused significant disruption to the Singapore economy, in particular the travel, tourism and retail segments. In response to the COVID-19 outbreak, governments around the world have introduced measures designed to slow the spread of COVID-19, including strict border control and travel restrictions and ordering residents to stay at home with a limited range of exceptions. In Singapore, "circuit-breaker" measures were implemented by the Singapore government on April 7, 2020. These measures ended on June 1, 2020 and from June 2, 2020 to June 18, 2020, under "Phase One" post "circuit-breaker", Singapore gradually re-opened economic activities that do not pose a high risk of transmission and more businesses and workplaces were allowed to resume operations. From June 19, 2020 under "Phase Two" post "circuit-breaker", the vast majority of economic activities have been allowed to resume in Singapore, subject to safe-distancing measures. Given the uncertainties as to the development of the COVID-19 outbreak, including the introduction of new COVID-19 variants, it is difficult to predict how long such conditions will exist and the extent to which the OCBC Group may be affected by such conditions. Any material change in the financial markets, the Singapore economy or regional economies as a result of these events or developments may materially and adversely affect our business, financial condition, results of operations and prospects. See further "Risk Factors – Risks relating to the Current Financial Environment – Global and regional geopolitical economic and financial conditions could adversely affect our operations, asset quality and growth and cause our business to suffer." for details on the COVID-19 outbreak.

In addition, our insurance business exposes us to claims arising out of such events and catastrophes affecting a large segment of the population as portions of our insurance business cover losses from unpredictable events such as hurricanes, windstorms, monsoons, earthquakes, fires, industrial explosions, floods, riots and other man-made or natural disasters, including acts

of terrorism. In particular, our life insurance business is exposed to the risk of catastrophic mortality, such as an epidemic or other events that cause a large number of deaths. The incidence and severity of these catastrophes in any given period are inherently unpredictable. Our insurance business generally seeks to reduce its exposure through the purchase of reinsurance, through selective underwriting practices and by monitoring risk accumulation. Claims relating to catastrophes may result in unusually high levels of losses and may require additional capital to maintain solvency margins and could have a material adverse effect on our business, financial condition, results of operations and prospects.

An actual or perceived reduction in our financial strength, or a downgrade in our credit ratings, could have a negative effect on us, and could increase deposit withdrawals and insurance policy surrenders and withdrawals, damage our business relationships and negatively impact sales of our products.

Depositors' and policyholders' confidence in the financial strength of a bank or insurance company, as well as in the financial services industry generally, is an important factor affecting our business. Any actual or perceived reduction in our financial strength, whether due to a credit rating downgrade, a reduction in our solvency margin, or some other factor, could materially and adversely affect our business as any such development may, among other things:

(a) increase the number of deposit withdrawals and insurance policy surrenders and withdrawals;

(b) damage our relationship with our creditors, our customers and the distributors of our products;

(c) negatively impact sales of our products;

(d) require us to reduce prices for many of our products and services to remain competitive; and

(e) increase our borrowing costs as well as affect our ability to obtain financing on a timely basis.

We have received long-term issuer ratings of "Aa1" from Moody's Investors Service, Inc. ("**Moody's**"), "AA-" from S&P Global Ratings ("**S&P**") and "AA-" from Fitch Ratings Ltd ("**Fitch**"). In addition, Moody's, S&P and Fitch each has a "Stable" outlook on our rating.

We cannot assure investors that we will not experience reductions in our financial strength, actual or perceived, in the future and which could materially and adversely affect the profitability of our treasury operations, our capital adequacy position, business, financial condition, results of operations and prospects.

Damage to our reputation or brand names may have an adverse effect on our business.

Maintaining our reputation is vital to our ability to attract and maintain customers, investors and employees. Our reputation could be damaged through a variety of circumstances, including, among others, fraud or scams (whether originating externally or internally by employees) or other misconduct, systems failures, compliance failures, adverse litigation judgments or regulatory decisions, or unfavorable outcomes of governmental inspections. Negative media coverage of us or the banking or insurance industry, even if inaccurate or not applicable to us, may have a materially adverse effect on our brand image and may undermine depositor confidence, thereby affecting our businesses and results of operations. Moreover, "OCBC", "Bank of Singapore", "Great Eastern Holdings" and our other brand names are important assets to us and any infringements of our brand names could reduce the value of goodwill associated with our names, result in the loss of competitive advantage and materially harm our business, results of operations and prospects. Actions by the financial services industry or the insurance industry generally or by

certain members in the industry can also adversely affect customers' confidence in the industries in which we operate. These reputational harms could lead to a decreased customer base, reduced income and higher operating costs and materially and adversely affect our business, financial condition, results of operations and prospects.

Any inability to attract and retain talented professionals may adversely impact our business.

Our business is growing more complex with geographic expansion internationally and product line expansion. Our continued success depends in part on the continued service of key members of our management team and our ability to continue to attract, train, motivate and retain highly qualified professionals, which are key elements of our strategy and which we believe to be a significant source of our competitive advantage. The successful implementation of our strategy depends on the availability of skilled management, both at our head office and at each of our business units and international locations and on our ability to attract and train young professionals. In addition, we rely substantially on the tied agency force of our insurance business for sales and distribution and any inability to effectively recruit newly qualified agents or retain and incentivize existing agents will hinder our insurance business' productivity and growth as sales commission for life insurance products is, to a significant extent, attributable to the initial sale of each product and any failure to recruit, retain or motivate tied agents can have a material adverse effect on its ability to maintain and increase its premium volume and market share. If we or one of our business units, international operations or other functions fail to staff operations appropriately, or lose one or more key senior executives or qualified professionals and fail to replace them in a satisfactory and timely manner, our business, financial condition, results of operations and prospects, including our control and operational risks, may be materially and adversely affected. Likewise, if we fail to attract and appropriately train, motivate and retain young professionals or other talent, our business may likewise be affected.

While our insurance business is an important part of our business, we do not directly manage its strategy and there can be no assurance of its future rates of growth or level of profitability.

Great Eastern Holdings Limited ("**Great Eastern Holdings**") is a significant contributor to our profit. It is a listed company with minority shareholders and its own board of directors. While OCBC Bank owned 87.9% of Great Eastern Holdings' share capital as of December 31, 2021, OCBC Bank is represented on the board of Great Eastern Holdings and works closely with Great Eastern Holdings on certain aspects of our businesses to deliver synergies, Great Eastern Holdings' business strategy and operations are managed separately by its own management team.

Moreover, there can be no assurance of the future rates of growth or level of profitability of our insurance business. The insurance industry in the Asia Pacific region may not expand or we may not succeed in increasing penetration into certain of the geographic markets in which we operate, as they may be or become saturated and exhibit low or no growth in the future. The growth and development of the life insurance and general insurance business in the Asia Pacific region is subject to industry trends and uncertainties that are beyond our control. Any slowdown in this business and, in particular, in the life insurance business could have a material adverse impact on our business, financial condition, results of operations and prospects.

Loss reserves for our life insurance and general insurance businesses are based on estimates as to future claims liabilities and differences between actual claims and estimates or deviations from assumptions used to price our products could lead to further reserve additions and materially adversely affect our business, financial condition, results of operations and prospects.

Our subsidiaries in the insurance business establish and carry reserves as balance sheet liabilities to pay future policyholder benefits and claims. The estimation of the ultimate liabilities arising from claims made under life and general insurance contracts involves several sources of uncertainty in the estimation of the liabilities that our insurance subsidiaries will ultimately be required to pay as claims.

For life insurance contracts, estimates are made for future deaths, disabilities, voluntary terminations, investment returns and administration expenses using "best estimate" actuarial policies and assumptions. Our insurance subsidiaries rely on standard industry reinsurance and national mortality tables which represent historical mortality experience, and make appropriate adjustments for their respective risk exposures in deriving the mortality and morbidity estimates. The assumptions they make include the assessment of the long-term development of interest rates, investment returns, the allocation of investments between equity, fixed income and other asset classes, mortality and morbidity rates, policyholder lapses and future expense levels.

The process of determining these assumptions and estimates is a difficult and complex exercise involving many variable and subjective judgments. In addition, we may lack sufficient data to make accurate estimates of the future benefits or claims experience, and significant deviations in actual experience from our assumptions could materially and adversely reduce our profitability.

In accordance with general insurance industry practice and accounting and regulatory requirements, our insurance subsidiaries establish reserves for loss and loss adjustment expenses related to their general insurance business. Reserves are based on estimates of future payments that will be made in respect of claims, including expenses relating to such claims, which requires estimates to be made for both the expected ultimate cost of claims reported at the balance sheet date and for the expected ultimate cost of claims incurred but not yet reported at the balance sheet date. However, the assumptions made by our insurance subsidiaries in these reserves may differ from what they may experience in the future, and could have a material adverse effect on our business, financial condition, results of operations and prospects.

Compliance with solvency and risk-based capital requirements as well as other regulatory changes may impact our insurance subsidiaries.

Insurance companies are generally required by applicable law to maintain their solvency at a level in excess of statutory minimum standards. Our subsidiaries in the insurance business are affected primarily by the solvency margins they are required to maintain, which is in turn affected by the volume and type of new insurance policies they sell, the composition of their in-force insurance policies and by regulations on the determination of statutory reserves. Their solvency is also affected by other factors, including the profit margin of their products, returns on their assets and investments, interest rates, underwriting and acquisition costs, and policyholder and shareholder dividends. The regulatory frameworks in Singapore, Malaysia and Indonesia currently utilize a risk-based capital regime.

Moreover, Great Eastern Holdings has been approved by the MAS as a financial holding company ("**Financial Holding Company**") pursuant to Section 28 of the Monetary Authority of Singapore Act 1970 of Singapore (the "**MAS Act**") and is subject to requirements imposed by the MAS. The Financial Holding Companies Act 2013 was gazetted on April 8, 2014 and will be applicable to Great Eastern Holdings when it comes into operation. The Financial Holding Companies Act 2013 contains provisions requiring Financial Holding Companies to, amongst other things, maintain minimum paid-up capital amounts, adhere to capital adequacy requirements, and leverage ratios.

On February 28, 2020, the MAS issued a new MAS Notice 133 on Valuation and Capital Framework for Insurers ("**MAS Notice 133**") following the review of and to give effect to the enhanced valuation and capital framework. MAS Notice 133 comprises both mandatory requirements and guidelines on the supervisory intervention levels, valuation of policy liabilities in respect of life business and general business, and the calculation of the total risk requirements and financial resources. These requirements may have an impact on the regulatory capital cost for our subsidiaries. The Notice came into effect on March 31, 2020, with the exception of section 6.4 and paragraph 10 in Appendix 5E, which took effect on January 1, 2022.

International Association of Insurance Supervisors ("**IAIS**") is a voluntary membership organization of insurance supervisors formed by more than 200 jurisdictions including Singapore. The IAIS announced its plans to develop a global Insurance Capital Standards ("**ICS**") for Internationally Active Insurance Groups ("**IAIGs**") on October 9, 2013. The ICS is a risk-based capital framework with the ultimate aim of establishing a single framework that will achieve comparable outcomes across various jurisdictions. The IAIS has begun a five-year ICS monitoring period starting from 2020. Great Eastern Holdings is deemed as an IAIG and the level of capital that it is required to maintain may be affected by the eventual implementation of the ICS.

SFRS(I) 17 was issued in May 2017 as replacement for SFRS(I) 4 Insurance Contracts and is effective for annual periods beginning on or after January 1, 2021[1]. It is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. The Group plans to adopt SFRS(I) 17 on the required effective date and a Project Steering Committee was formed to oversee the implementation of the standard. The Group expects that SFRS(I) 17 will result in an important change to the accounting policies for insurance contract liabilities of the Group and is likely to have a significant impact on profit and total equity together with the Group's financial statement presentation and disclosures.

Any termination or disruption of our existing bancassurance relationships with Great Eastern Holdings may have a material adverse effect on our competitiveness and result in a material impact on our business, financial condition, results of operations and prospects.

A key focus in developing our insurance product sales is through bancassurance. If our insurance subsidiaries fail to develop or maintain existing synergies with our banking segments and other segments of our Group, our competitiveness may be materially and adversely affected or we may not be able to maintain or grow our premiums, and our business, financial condition, results of operations and prospects may be materially and adversely impacted.

Our insurance subsidiaries may not be able to obtain reinsurance successfully.

The ability of our insurance subsidiaries to obtain external reinsurance on a timely basis and at a reasonable cost is subject to a number of factors, many of which may be beyond their control. In particular, certain risks that our insurance subsidiaries are subject to, such as epidemics, are difficult to reinsure. If our insurance subsidiaries are unable to renew any expiring external reinsurance coverage or obtain acceptable new external reinsurance coverage, their net risk exposure could increase or, if they are unwilling to bear an increase in net risk exposure, their overall underwriting capacity and the amount of risk they are able to underwrite would decrease. To the extent that our insurance subsidiaries are unable to utilize external reinsurance successfully, our business, financial condition, results of operations and prospects may be materially and adversely affected.

[1] **Note:** The International Accounting Standards Board published an amendments to IFRS 17 on June 25, 2020 and the effective date was extended to January 1, 2023 to allow industry players sufficient time to implement the standard.

In addition, although a reinsurer would be liable to our insurance subsidiaries for the risk ceded through a reinsurance arrangement, such an arrangement does not discharge their primary liability to their policyholders. As a result, we are exposed to credit risk with respect to reinsurers in all of our insurance business. In particular, a default by one or more of our reinsurers under the reinsurance arrangements would increase the financial losses arising out of a risk we have insured, which would reduce our profitability and may have a material adverse effect on our liquidity position. There can be no assurance that our reinsurers will always be able to meet their obligations under reinsurance arrangements of our insurance subsidiaries on a timely basis, if at all. In addition, under a small number of reinsurance agreements, we receive payments from our reinsurers through brokers. We are consequently subject to the risk of non-payment from these brokers. If our reinsurers or brokers fail to pay our insurance subsidiaries on a timely basis, or at all, our business, financial condition, results of operations and prospects may be materially and adversely affected.

We may be involved in various litigation matters in the ordinary course of our business, and any final judgment awarding material damages against us could have a material adverse impact on our future financial performance.

We face risks of litigation, regulatory investigations and similar actions in the ordinary course of our business, including the risk of lawsuits and other legal actions relating to suitability, sales or underwriting practices, product design, disclosure, administration, and breaches of fiduciary or other duties. Any such action may include claims for substantial or unspecified compensatory and punitive damages, as well as civil, regulatory or criminal proceedings against our directors, officers or employees, and the probability and amount of liability, if any, may remain unknown for significant periods of time. We are also subject to various regulatory inquiries, such as information requests and books and records examinations, from regulators and other authorities in the geographical markets in which we operate.

A substantial liability arising from a lawsuit judgment or a significant regulatory action against us or a disruption in our business arising from adverse adjudications in proceedings against our directors, officers or employees could have a material adverse effect on our business, financial condition, results of operations and prospects. Moreover, even if we ultimately prevail in the litigation, regulatory action or investigation, we could suffer significant harm to our reputation, which could materially affect our prospects and future growth.

Changes in accounting principles relating to financial instruments may have an impact on the Group's financials and regulatory capital ratios.

The OCBC Group is subject to risk around changes in accounting standards that may change the basis upon which the OCBC Group reports its financial results, and there can be no assurance that any such changes will not have a material adverse impact on the OCBC Group's financial statements in future periods.

Singapore accounting and corporate disclosure standards may result in more limited disclosure than in other jurisdictions.

Our Group is subject to the accounting standards and requirements of Singapore, which differ in certain material respects from those applicable to banks in certain other countries. Also, there may be less publicly available information about Singapore-listed companies than is regularly made available by or about listed companies in certain other countries. This Offering Memorandum does not include a reconciliation of our financial statements or the financial statements of the Group to U.S. GAAP and IFRS and there can be no assurance that such reconciliation would not identify material quantitative differences.

Investors should consult their own professional advisors for an understanding of the differences between SFRS(I) and U.S. GAAP, IFRS and the generally accepted accounting principles of other jurisdictions and how those differences might affect the financial information contained in this Offering Memorandum.

We are subject to a statutory bail-in regime.

On August 1, 2017, the Monetary Authority of Singapore (Amendment) Act 2017 ("**MAS Amendment Act**") was gazetted. This sets out amendments to the MAS Act which aim to strengthen MAS' powers in respect of the resolution and recovery of distressed financial institutions, and include provisions relating to temporary stays and suspensions, statutory bail-in powers, cross-border recognition of resolution actions, creditor compensation and resolution funding. The MAS Amendment Act has largely come into operation, and most of the relevant amendments relating to the resolution framework have come into force from October 29, 2018. To support the implementation of the changes, the Monetary Authority of Singapore (Resolution of Financial Institutions) Regulations 2018 (the "**RFI Regulations**") have been issued and also took effect from October 29, 2018.

Pursuant to the MAS Amendment Act, the MAS is empowered under Division 4A of Part 4B of the MAS Act to write down or convert a financial institution's debt into equity. The entities subject to the statutory bail-in powers of the MAS are presently limited to Singapore-incorporated banks and Singapore-incorporated bank holding companies (each a "**Division 4A financial institution**"). The classes of instruments subject to the bail-in are:

(a) any equity instrument or other instrument that confers or represents a legal or beneficial ownership in the Division 4A financial institution except an ordinary share;

(b) any unsecured liability or other unsecured debt instrument that is subordinated to unsecured creditors' claims of the Division 4A financial institution that are not so subordinated; and

(c) any instrument that provides for a right for the instrument to be written down, canceled, modified, changed in form or converted into shares or another instrument of ownership, when a specified event occurs,

but do not include any instrument issued before November 29, 2018, or a derivatives contract as defined in regulation 9(2) of the RFI Regulations.

In addition, the amendments empower the MAS to require financial institutions to prepare, review and keep up-to-date a recovery plan, to temporarily block counterparties' rights to terminate contracts with financial institutions in resolution, and to recognize resolution actions taken by a foreign resolution authority on financial institutions in Singapore.

On November 1, 2021, a new regulation 27A of the RFI Regulations took effect. Under regulation 27A of the RFI Regulations, a "qualifying pertinent financial institution" ("**QPFI**") and its subsidiaries will be required to include enforceable provisions in financial contracts governed by foreign law which contain termination rights to ensure that the exercise of the termination rights for such contracts will be subject to MAS' temporary stay powers under sections 83 and 84 of the MAS Act. A QPFI is defined as a bank that is incorporated in Singapore and to which a direction has been issued under section 43(1) of the MAS Act (concerning directions for recovery planning and implementation). This would apply to our Group. A three-year transitional period has been provided from November 1, 2021 for QPFIs to implement the contractual recognition requirement.

Existing safeguards in connection with compulsory transfer of business during resolution, have also been extended to reverse and onward transfers of business with effect from November 1, 2021.

The implementation of the statutory bail-in regime could impact our future capital and funding structure and, accordingly, could affect our business.

Risks Relating to the Notes

The structure of a particular issue of Notes may carry particular risks compared with other Notes.

A wide range of Notes may be issued under the Program. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

(a) **Notes subject to optional redemption by us.**

An optional redemption feature is likely to limit the market value of Notes. During any period when we may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. If we redeem Notes when our cost of borrowing is lower than the interest rate (in respect of the Notes other than the Perpetual Capital Securities) or the Distribution rate (in respect of the Perpetual Capital Securities only), as applicable on the Notes, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate (in respect of the Notes other than the Perpetual Capital Securities) or the Distribution rate (in respect of the Perpetual Capital Securities only), as applicable, as high as the interest rate (in respect of the Notes other than the Perpetual Capital Securities) or the Distribution rate (in respect of the Perpetual Capital Securities only), as applicable, on the Notes being redeemed and may only be able to do so at a lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

(b) **Partly-Paid Notes.**

We may issue Notes where the issue price is payable in more than one installment. Failure to pay any subsequent installment on a Partly-Paid Note could result in an investor losing all of its investment.

(c) **Fixed/Floating Rate Notes and Fixed/Floating Rate Perpetual Capital Securities.**

Fixed/Floating Rate Notes and Fixed/Floating Rate Perpetual Capital Securities may bear interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, at a rate that we may elect to convert from a fixed rate to a floating rate, or vice versa. Our ability to convert the interest rate (in respect of the Notes other than the Perpetual Capital Securities) or the Distribution rate (in respect of the Perpetual Capital Securities only), as applicable, will affect the secondary market and the market value of such Notes or, as the case may be, Perpetual Capital Securities since we may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If we convert from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes or, as the case may be, Fixed/Floating Rate Perpetual Capital Securities may be less favorable than the prevailing spreads on comparable Floating Rate Notes or, as the case may be, Floating Rate Perpetual Capital Securities tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes or, as the case may be, Perpetual Capital Securities. If we convert from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than the prevailing rates on the Notes or, as the case may be, Perpetual Capital Securities.

(d) **Notes and Perpetual Capital Securities issued at a substantial discount or premium.**

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates (in respect of the Notes other than the Perpetual Capital Securities) or Distribution rates (in respect of the Perpetual Capital Securities only), as applicable than do prices for conventional interest bearing (in respect of the Notes other than the Perpetual Capital Securities) or distribution bearing (in respect of the Perpetual Capital Securities only), as applicable, securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest bearing (in respect of the Notes other than the Perpetual Capital Securities) or distribution bearing (in respect of the Perpetual Capital Securities only), as applicable, securities with comparable maturities.

The Notes may not be a suitable investment for all investors.

The Notes are complex and high-risk instruments. Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(a) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Offering Memorandum or any applicable supplement;

(b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;

(c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest or distribution is payable in one or more currencies, or where the currency for principal or interest or distribution payments is different from the potential investor's currency;

(d) understand thoroughly the terms of the relevant Notes and be familiar with the behavior of any relevant indices and financial markets; and

(e) be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial advisor) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio. Investors may also be subject to investment laws that constrain their ability to invest in the Notes. Investors should consult their own legal advisors before making an investment in the Notes.

There are risks associated with modifying or amending the Conditions of the Notes by way of a meeting of the Noteholders or the Securityholders, as the case may be.

The Note Conditions and the Perpetual Capital Security Conditions contain provisions for calling meetings of the Noteholders or the Securityholders, as the case may be, to consider matters affecting their interests generally. These provisions permit defined majorities to bind all the Noteholders or the Securityholders, as the case may be, including the Noteholders or the Securityholders, as the case may be, who did not attend and vote at the relevant meeting and the Noteholders or the Securityholders, as the case may be, who voted in a manner contrary to the majority.

Limited rights of enforcement and subordination of the Subordinated Notes or the Perpetual Capital Securities, as applicable, could impair an investor's ability to enforce its rights or realize any claims on the Subordinated Notes or the Perpetual Capital Securities, as applicable.

In most circumstances, the sole remedy against us available to the Trustee (on behalf of the holders of Subordinated Notes or the holders of the Perpetual Capital Securities, as applicable) to recover any amounts owing in respect of the principal of or interest on the Subordinated Notes or principal of or Distributions on the Perpetual Capital Securities, as applicable, will be to institute proceedings for our winding-up in Singapore. If we default on the payment of principal or interest on the Subordinated Notes or principal of or Distributions on the Perpetual Capital Securities, as applicable, the Trustee will only institute a proceeding in Singapore for our winding-up if it is so contractually obligated. The Trustee will have no right to accelerate payment of the Subordinated Notes or the Perpetual Capital Securities, as applicable, in the case of default in payment or failure to perform a covenant except so provided in the Conditions and in the Trust Deed.

The Subordinated Notes and the Perpetual Capital Securities will be unsecured and subordinated obligations of ours and will rank junior in priority to the claims of Senior Creditors (as defined in the Note Conditions (in respect of the Subordinated Notes) and Perpetual Capital Securities Conditions (in respect of the Perpetual Capital Securities only), as applicable). Upon the occurrence of any winding-up proceeding, the rights of the holders of the Subordinated Notes or the Perpetual Capital Securities, as applicable, to payments on such Subordinated Notes or the Perpetual Capital Securities, as applicable, will be subordinated in right of payment to the prior payment in full of all of our deposits and other liabilities, as applicable, except those liabilities which rank equally with or junior to the Subordinated Notes or the Perpetual Capital Securities, as applicable. In a winding-up proceeding, the holders of the Subordinated Notes and the Perpetual Capital Securities, as applicable, may recover less than the holders of deposit liabilities or the holders of other unsubordinated liabilities of ours, as applicable. As there is no precedent for a winding-up of a major financial institution in Singapore, there is uncertainty as to the manner in which such a proceeding would occur and the results thereof. An investor in the Subordinated Notes or the Perpetual Capital Securities, as applicable, may lose all or some of his investment should we become insolvent.

The Trust Deed and the Notes do not contain any restrictions on our ability to pledge, dispose or securitize our assets, pay dividends, incur additional debt, repurchase our securities or take other actions that could negatively impact Noteholders or Securityholders, as the case may be, and provide Noteholders or Securityholders, as the case may be, with limited protection in the event of a change in control.

The Trust Deed and the Notes do not contain any restrictions on our ability to incur indebtedness, including issue new secured and unsecured debt, repurchase our outstanding securities, pledge assets to secure other indebtedness, securitize our loan assets, or sell or otherwise dispose of substantially all of our assets, or pay dividends on our shares of common stock. These or other actions by us could adversely affect our ability to pay amounts due on the Notes. In addition, the Trust Deed and the Notes do not contain any covenants requiring us to achieve or maintain any minimum financial results relating to our financial position or results of operations.

The terms of the Subordinated Notes and the Perpetual Capital Securities will contain non-viability loss absorption provisions, and the occurrence of a Trigger Event may be inherently unpredictable and beyond our control.

MAS Notice 637 provides that the terms of all Additional Tier 1 and Tier 2 capital instruments must be loss absorbing at the point of non-viability. In this regard, the terms of all Additional Tier 1 and Tier 2 capital instruments, issued from January 1, 2013 onwards, require a provision that such instruments at the option of the MAS to be either written off or converted into ordinary shares upon the occurrence of a Trigger Event (as defined below). The applicable Pricing Supplement will specify whether the conversion option or the write-off option will apply upon the occurrence of the Trigger Event. The Trigger Event would occur on the earlier of:

(a) the MAS notifying the Issuer in writing that the MAS is of the opinion that a write-off or conversion is necessary, without which the Issuer would become non-viable; and

(b) a MAS decision to make a public-sector injection of capital, or equivalent support, without which the Issuer would have become non-viable, as determined by the MAS,

(for the purposes of this Offering Memorandum, each a "**Trigger Event**").

To the extent that a series of Subordinated Notes or Perpetual Capital Securities, as applicable, contains provisions relating to loss absorption, upon the occurrence of a Trigger Event relating to us as determined by the MAS, we may be required, subject to the terms of the relevant series of Subordinated Notes or Perpetual Capital Securities, as applicable, irrevocably (without the need for the consent of the holders of such Subordinated Notes or Perpetual Capital Securities, as applicable) to effect either a full or partial write-off of the outstanding principal and accrued and unpaid interest in respect of such Subordinated Notes or accrued and unpaid Distributions in respect of such Perpetual Capital Securities, as applicable, or a conversion of such Subordinated Notes or Perpetual Capital Securities, as applicable, into our ordinary shares.

To the extent relevant in the event that such Subordinated Notes or Perpetual Capital Securities, as applicable, are written off, any written-off amount shall be irrevocably lost and holders of such Subordinated Notes or Perpetual Capital Securities, as applicable, will cease to have any claims for any principal amount and accrued but unpaid interest (in respect of the Notes other than the Perpetual Capital Securities) or any principal amount and accrued but unpaid Distributions (in respect of the Perpetual Capital Securities only), as applicable, which has been subject to write-off. No Noteholder or Securityholder may exercise, claim or plead any right to any amount written-off, and each Noteholder or Securityholder shall be deemed to have waived all such rights to such amounts written-off.

In the event that such Subordinated Notes or Perpetual Capital Securities, as applicable, feature a conversion to our ordinary shares upon the occurrence of a Trigger Event, on such terms as may be set forth in the applicable Pricing Supplement, we will be required, upon the occurrence of a Trigger Event, to convert some or all of the nominal amount of the Subordinated Notes or Perpetual Capital Securities, as applicable, into ordinary shares which may be worth significantly less than the investor's Subordinated Notes or Perpetual Capital Securities, as applicable. In such circumstances, holders will not be entitled to any reconversion of ordinary shares to Subordinated Notes or Perpetual Capital Securities, as applicable. Investors in Subordinated Notes or Perpetual Capital Securities, as applicable, featuring such conversion to our ordinary shares may be subject to additional risks as set forth in the applicable Pricing Supplement with respect to any such Subordinated Notes or Perpetual Capital Securities, as applicable.

A write-off or conversion of Subordinated Notes or Perpetual Capital Securities, as applicable, will not constitute an event of default with respect to such Subordinated Notes under the relevant Conditions.

As the Trigger Event would be determined by the MAS, the write-off or conversion into ordinary shares may occur in circumstances beyond our control and with which we do not agree. While the MAS has set out a list of factors that it may take into account in assessing viability, it is not an exhaustive list and, ultimately, the circumstances in which the MAS may exercise its discretion are not limited. Due to the inherent uncertainty regarding the determination of whether a Trigger Event exists, it will be difficult to predict when, if at all, a write-off or conversion into ordinary shares will occur. Accordingly, the trading behavior in respect of Subordinated Notes or Perpetual Capital Securities, as applicable, which have the non-viability loss absorption feature is not necessarily expected to follow trading behavior associated with other types of securities. Any indication that we are trending towards a Trigger Event could have a material adverse effect on the market price of the relevant Subordinated Notes or Perpetual Capital Securities, as applicable.

Potential investors should consider the risk that a holder of Subordinated Notes or Perpetual Capital Securities, as applicable, which have the non-viability loss absorption feature may lose all of their investment in such Subordinated Notes or Perpetual Capital Securities, as applicable, including the principal amount plus any accrued but unpaid interest (in respect of the Notes other than the Perpetual Capital Securities) or the principal amounts plus any accrued but unpaid Distributions (in respect of the Perpetual Capital Securities only), as applicable, in the event that a Trigger Event occurs.

In addition, there is no assurance that the MAS will not implement non-viability loss absorption requirements which are different from those currently envisaged for Singapore-incorporated banks.

Subordinated Notes or Perpetual Capital Securities, as applicable, that include a loss absorption feature are novel and complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way of reducing risk or enhancing yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in such Subordinated Notes or Perpetual Capital Securities, as applicable, unless it has the knowledge and expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the likelihood of a write off or conversion and the value of such Subordinated Notes or Perpetual Capital Securities, as applicable, and the impact this investment will have on the potential investor's overall investment portfolio. Prior to making an investment decision, potential investors should consider carefully, in light of their own financial circumstances and investment objectives, all the information contained in this Offering Memorandum or incorporated by reference herein.

The Subordinated Notes and the Perpetual Capital Securities, as applicable, may be subject to a full or partial Write-off or modification or change in form upon the occurrence of a Trigger Event or issuance of a Bail-in Certificate, as applicable.

Investors may lose the entire amount of their investment in any Subordinated Notes or Perpetual Capital Securities, as applicable, in which Write-off is specified as the applicable loss absorption option upon the occurrence of a Trigger Event, which will lead to a full or partial Write-off upon the occurrence of such Trigger Event. Separately, investors may also lose part or all of their investment in any Subordinated Notes or Perpetual Capital Securities, as applicable, as a result of the cancelation, modification, conversion and/or change in form of such Subordinated Notes or Perpetual Capital Securities, as applicable, should a Bail-in Certificate be issued. Upon the occurrence of a Write-off or if so specified in a Bail-in Certificate, the principal amount and any accrued but unpaid interest of such Subordinated Notes or Distributions of such Perpetual Capital Securities, will automatically be written down and if there is a full Write-off, the principal amount and any accrued but unpaid interest of such Subordinated Notes or Distributions of such Perpetual Capital Securities, as applicable, may be written down completely and such Subordinated Notes or Perpetual Capital Securities, as applicable, will be canceled.

In addition, the subordination provisions set out in Note Condition 3(c) (in respect of the Subordinated Notes) and Perpetual Capital Securities Condition 3(b) (in respect of the Perpetual Capital Securities only) are effective only upon the occurrence of any winding-up proceedings of the relevant Issuer. In the event that a Trigger Event occurs or if so specified in a Bail-in Certificate, the rights of holders of Subordinated Notes or Perpetual Capital Securities, as applicable, shall be subject to Note Condition 6 (in respect of Subordinated Notes) and Perpetual Capital Securities Condition 7 (in respect of the Perpetual Capital Securities only). This may result in a less favorable outcome for holders of Subordinated Notes or holders of the Perpetual Capital Securities, as applicable, subject to a Write-off or conversion (a) than that which would otherwise occur under Note Condition 3(c) (in respect of the Subordinated Notes) and Perpetual Capital Securities Condition 3(b) (in respect of the Perpetual Capital Securities only) upon the occurrence of any winding-up proceedings of the relevant Issuer or (b) compared to holders of securities that otherwise rank *pari passu* or junior to such Noteholders or Securityholders, as applicable, but which are not subject to a full or partial Write-off or conversion. See "– The terms of the Subordinated Notes and the Perpetual Capital Securities will contain non-viability loss absorption provisions, and the occurrence of a Trigger Event may be inherently unpredictable and beyond our control".

Furthermore, upon the occurrence of a Write-off of any Subordinated Notes or Perpetual Capital Securities, as applicable, or if so specified in a Bail-in Certificate the right to receive interest on such Subordinated Notes or Distributions on such Perpetual Capital Securities, as applicable, will cease to accrue and all interest amounts on such Subordinated Notes and Distribution amounts on such Perpetual Capital Securities, as applicable, that were not due and payable prior to the Write-off shall become null and void. Consequently, the Noteholders and the Securityholders will not be entitled to receive any interest that has accrued on such Subordinated Notes or Perpetual Capital Securities, as applicable, from (and including) the last Interest Payment Date (in respect of the Subordinated Notes) or the last Distribution Payment Date (in respect of the Perpetual Capital Securities only) falling on or prior to the Trigger Event Notice or if so specified in a Bail-in Certificate.

Any such Write-off or cancelation under the terms of a Bail-in Certificate will be irrevocable and the Noteholders or the Securityholders, as the case may be, will, upon the occurrence of a Write-off or if so specified in a Bail-in Certificate, not receive any of our shares or other participation rights, or be entitled to any other participation in the upside potential of any equity or debt securities issued by us or be entitled to any subsequent write-up or any other compensation in the event of our potential recovery.

The resolution regime in Singapore may override the contract terms of the Subordinated Notes and the Perpetual Capital Securities, and the exercise of bail-in powers may be beyond the control of the relevant Issuer.

Pursuant to the MAS Act and the MAS Regulations, should a Bail-in Certificate be issued, the Subordinated Notes and the Perpetual Capital Securities may be subject to cancelation, modification, conversion and/or change in form.

Holders of Subordinated Notes or Perpetual Capital Securities and the Trustee, as applicable, are deemed to agree to be bound by the terms of a Bail-in Certificate. Accordingly, the rights of such holders are subject to, and will be amended and varied (if necessary), solely to give effect to, the exercise of the MAS' powers under Division 4A of Part 4B of the MAS Act.

The determination of the viability of the relevant Issuer and the exercise of the MAS' powers is largely at the discretion of the MAS. While the MAS must have regard to the desirability of giving a pre-resolution creditor the priority and treatment that the pre-resolution creditor would have enjoyed had the Division 4A financial institution been wound up, the MAS may also consider other factors in determining whether to exercise its powers in accordance with this principle.

Potential investors should consider the risk that a holder of Subordinated Notes or Perpetual Capital Securities, as applicable, may lose all of their investment in such Subordinated Notes or Perpetual Capital Securities, as applicable, including the principal amount plus any accrued but unpaid interest (in respect of Notes other than Perpetual Capital Securities) or the principal amount plus any accrued but unpaid Distributions (in respect of Perpetual Capital Securities only), as applicable, in the event that a Bail-in Certificate is issued or undergo a change in form in their investment in line with the powers of the MAS to do so.

The issue of a Bail-in Certificate may depend on a number of factors which may be outside of the relevant Issuer's or the OCBC Group's (as applicable) control. The MAS may require or may cause the Subordinated Notes or the Perpetual Capital Securities to be subject to cancelation, modification, conversion and/or change in form in circumstances that are beyond the control of the relevant Issuer or the OCBC Group (as applicable) and with which neither the relevant Issuer or the OCBC Group (as applicable) agree.

The terms and conditions of the Subordinated Notes and the Perpetual Capital Securities may provide for multiplicity of actions in the event of enforcement.

The terms and conditions of the Subordinated Notes and the Perpetual Capital Securities (other than those that are to be governed exclusively by Singapore law) provide that they shall be governed by English law and that disputes arising in relation thereto shall be subject to the jurisdiction of the English courts, except for the provisions relating to the subordination of such Subordinated Notes or Perpetual Capital Securities, which shall be governed by Singapore law and subject to the exclusive jurisdiction of the Singapore courts in the event of a dispute. As such, in the event of an enforcement of those Subordinated Notes or Perpetual Capital Securities, the Trustee or the holders may need to commence separate actions in the English and Singapore courts in relation to a single claim. While the English courts and the Singapore courts may defer the relevant part of the claim to the other court, the two claims are inherently linked and there is no certainty as to the approach that the two court systems would take in relation to those separate claims and proceedings, and, therefore, the process and procedures for action and the ultimate manner of judgment would be uncertain. This multiplicity of proceedings and lack of certainty could adversely affect the Trustee's or the holders' claims and the enforcement thereof and could introduce delays into the process of enforcement of those claims.

The Perpetual Capital Securities are perpetual securities and Securityholders have no right to require redemption.

The Perpetual Capital Securities are perpetual and have no maturity date. Securityholders have no ability to require the Issuer to redeem the Perpetual Capital Securities. The Issuer can redeem the Perpetual Capital Securities in certain circumstances as described in "Terms and Conditions of the Perpetual Capital Securities", but the Issuer is under no obligation to redeem the Perpetual Capital Securities at any time. The Issuer's ability to redeem Perpetual Capital Securities is subject to the Issuer obtaining the prior written consent of the MAS (if then required) to the redemption, and satisfying any conditions that the MAS may impose at that time.

This means that Securityholders have no ability to cash in their investment, except if the Issuer exercises its right to redeem the Perpetual Capital Securities or by Securityholders selling their Perpetual Capital Securities in the open market. There can be no guarantee that the Issuer will exercise its right to redeem the Perpetual Capital Securities or will be able to meet the conditions for redemption of the Perpetual Capital Securities.

Securityholders who wish to sell their Perpetual Capital Securities may be unable to do so at a price at or above the amount they have paid for them, or at all, if insufficient liquidity exists in the market for the Perpetual Capital Securities.

In addition, upon the occurrence of a certain tax events or a Change of Qualification Event, the Perpetual Capital Securities may be redeemed at the relevant Early Redemption Amount, as more particularly described in "Terms and Conditions of the Perpetual Capital Securities". If any Trigger Event has occurred or a Bail-in Certificate has been issued since the Issue Date, as more fully described in "Risk Factors – Risks Relating to the Notes – The Subordinated Notes and the Perpetual Capital Securities, as applicable, may be subject to a full or partial Write-off or modification or change in form upon the occurrence of a Trigger Event or issuance of a Bail-in Certificate, as applicable", Securityholders may lose up to the full principal amount of the Perpetual Capital Securities.

There can be no assurance that Securityholders will be able to reinvest the amount received upon redemption at a rate that will provide the same rate of return as their investment in the Perpetual Capital Securities.

Payments of Distribution on the Perpetual Capital Securities are discretionary and such Distributions are non-cumulative.

Payment of Distributions on any Distribution Payment Date is at the sole discretion of the Issuer. Subject to the Perpetual Capital Securities Conditions, the Issuer may elect to cancel any Distribution on any Distribution Payment Date. The Issuer may make such election for any reason. In addition, the Issuer will not be obliged to pay, and will not pay, any Distribution if:

(a) the Issuer is prevented by applicable Singapore banking regulations or other requirements of the MAS from making payment in full of dividends or other distributions when due on its Additional Tier 1 Capital Securities;

(b) the Issuer is unable to make such payment of dividends or other distributions on its Additional Tier 1 Capital Securities without causing a breach of the MAS' consolidated or unconsolidated capital adequacy requirements set out in MAS Notice 637; or

(c) the aggregate of the amount of the Distribution (if paid in full), together with the sum of any other dividends and other distributions originally scheduled to be paid (whether or not paid in whole or part) during the Issuer's then-current fiscal year on the Perpetual Capital Securities or its Additional Tier 1 Capital Securities, would exceed the Distributable Reserves as of the Distribution Determination Date.

Any Distributions which are not paid on the applicable Distribution Payment Date shall not accumulate or be payable at any time thereafter, whether or not funds are, or subsequently become, available. Securityholders will have no right thereto whether in a bankruptcy or dissolution as a result of the Issuer's insolvency or otherwise.

Therefore, any Distributions not paid will be lost and the Issuer will have no obligation to make payment of such Distributions or to pay interest thereon. If Distributions are not paid for whatever reason, the Perpetual Capital Securities may trade at a lower price. If a Securityholder sells its Perpetual Capital Securities during such a period, such Securityholder may not receive the same return on investment as a Securityholder who continues to hold its Perpetual Capital Securities until Distributions are resumed.

Our ability to make payments in respect of the Notes may depend upon the performance of contractual obligations of other parties to the transaction documents.

Our ability to make payments in respect of the Notes may depend upon the due performance of the respective obligations of the other parties to the transaction documents, including the performance by the Trustee, the Issuing and Paying Agents, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent, the Transfer Agents, the Registrars and/or the Calculation Agent of their respective obligations. While the non-performance of any relevant parties will not relieve us of our obligations to make payments in respect of the Notes, we may not, in such circumstances, be able to fulfill our obligations to the Noteholders, Receiptholders and the Couponholders or, as the case may be, the Securityholders.

We and the Noteholders or the Securityholders, as the case may be, may face certain risks associated with any changes to English law, Singapore law, Australian law or administrative practice after the date of the issue of the relevant Notes.

The terms and conditions of the Notes (other than AMTNs) are based on English law or Singapore law and, in the case of AMTNs, the law of New South Wales, Australia in effect as at the date of issue of the relevant Notes (save for, in the case of Notes (other than AMTNs) based on English law, certain Note Conditions or Perpetual Capital Securities Conditions, which shall be governed by and construed in accordance with the law of the Republic of Singapore). No assurance can be given as to the impact of any possible judicial decision or change to English law, Singapore law, Australian law or administrative practice after the date of issue of the relevant Notes.

Limited liquidity of the Notes may affect the market price of the Notes.

The Notes will not be registered under the Securities Act or the securities or blue sky laws of any state of the United States. The Notes are being offered, and may be resold outside of the United States within the meaning of and in compliance with Regulation S under the Securities Act. The Notes may also be offered, and may be resold, within the United States to institutional investors that qualify as "qualified institutional buyers", within the meaning of and in compliance with Rule 144A under the Securities Act; or pursuant to another exemption from the registration requirements of the Securities Act. Consequently, the Notes are subject to restrictions on transfer and resale.

Application may be made to list the Notes on the Official List of the SGX-ST. However, if for any reason the Notes are not listed, the liquidity of the Notes may be negatively impacted.

The Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency, credit or market risks, and/or are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have an adverse effect on the market value of the Notes. Even if the Notes are traded, they may trade at a discount from their initial issue price, depending on prevailing interest rates, the market for similar securities, our performance and other factors.

The Dealers have made no commitment and have no obligation to make a market in the Notes. Therefore, no assurance can be given that any Dealer will actually make a market in any Notes that are issued under the Program, or if it does, that it will continue to make a market in the future. No assurance can be given that an active trading market for any Notes will develop and therefore the liquidity of the Notes may be considerably less than for comparable debt securities.

We may vary the terms of Subordinated Notes or the Perpetual Capital Securities.

We may, without the consent or approval of the Noteholders or the Securityholders, as the case may be, but subject to the prior approval of the MAS (to the extent that any variation would affect the eligibility of any Subordinated Notes as Tier 2 Capital Securities or the eligibility of the Perpetual Capital Securities as Additional Tier 1 Capital Securities of the Issuer, as applicable), vary the terms of any Subordinated Notes or Perpetual Capital Securities, as applicable, so that they remain or, as appropriate, become Qualifying Securities, subject to certain conditions. The terms of such varied Subordinated Notes or Perpetual Capital Securities, as applicable, may contain one or more provisions, including, without limitation, the maturity date that are substantially different from the terms of the original Notes, provided that the Subordinated Notes

or the Perpetual Capital Securities, as applicable, become or remain Qualifying Securities in accordance with the relevant Conditions. While we cannot make changes to the terms of the Subordinated Notes or the Perpetual Capital Securities, as applicable, that give rise to any right of the Issuer to redeem the varied securities that are inconsistent with the redemption provisions of such Subordinated Notes or the Perpetual Capital Securities, as applicable, that result in a Tax Event or Capital Event, or which do not comply with the rules of any stock exchange on which such Subordinated Note or the Perpetual Capital Security, as applicable, may be listed or admitted to trading, and following such variation the resulting securities must have at least, *inter alia*, the same ranking, interest rate, interest payment dates, redemption rights, existing rights to accrued interest which has not been paid and be assigned the same ratings as the Subordinated Notes, no assurance can be given as to whether any of these changes will negatively affect any particular Noteholder or Securityholder. Furthermore, the Trustee has no obligation or ability to verify whether the requirements for such variations have been satisfied, and will have no discretion in determining whether any such variation results in terms that are materially less favorable to Noteholders or Securityholders, as the case may be. Any such variation may be treated as a deemed exchange of existing Notes for newly issued Notes for U.S. federal income tax purposes, which could cause U.S. Holders (as defined in "Taxation – Certain United States Federal Income Tax Considerations") of such Notes to recognize gain or loss for U.S. federal income tax purposes. In addition, the tax and stamp duty consequences of holding such varied Notes could be different for some categories of Noteholder from the tax and stamp duty consequences for them of holding the Notes prior to such variation.

Upon the occurrence of a Trigger Event or the issue of a Bail-in Certificate, clearance and settlement of the Subordinated Notes and the Perpetual Capital Securities will be suspended and there may be a delay in updating the records of the relevant clearing system to reflect the amount written-off or the effect of the Bail-in Certificate.

Following the receipt of a Trigger Event Notice or notice of issue of a Bail-in Certificate, all clearance and settlement of the Subordinated Notes or the Perpetual Capital Securities, as applicable, will be suspended. As a result, the Noteholders or the Securityholders, as the case may be, will not be able to settle the transfer of any Subordinated Notes or Perpetual Capital Securities, as applicable, from the commencement of the Suspension Period (as defined in the relevant Conditions), and any sale or other transfer of the Subordinated Notes or Perpetual Capital Securities that a holder may have initiated prior to the commencement of the Suspension Period that is scheduled to settle during the Suspension Period will be rejected by the relevant clearing system and will not be settled within the relevant clearing systems.

While a Tranche of Subordinated Notes or Perpetual Capital Securities, as applicable, that contains non-viability loss absorption provisions is represented by one or more Global Notes or Global Certificates and a Trigger Event occurs or a Bail-in Certificate is issued, the records of Euroclear and Clearstream or any other clearing system (other than the CMU) in respect of their respective participants' position held in such Tranche of Subordinated Notes or Perpetual Capital Securities, as applicable, may not be immediately updated to reflect the amount to be written-off (where applicable) or the effect of the Bail-in Certificate and may continue to reflect the nominal amount of such Subordinated Notes or Perpetual Capital Securities, as applicable, prior to the Write-off or the issue of a Bail-in Certificate as being outstanding, for a period of time. The update process of the relevant clearing system may only be completed after the date on which the Write-off is scheduled or the Bail-in Certificate has been effected. Notwithstanding such delay, holders of such Subordinated Notes or Perpetual Capital Securities, as applicable, may lose the entire value of their investment in such Subordinated Notes or Perpetual Capital Securities, as applicable, on the date on which the Write-off occurs or when the Bail-in Certificate has been effected. No assurance can be given as to the period of time required by the relevant clearing system to complete the update of their records. Further, the conveyance of notices and other communications by the relevant clearing system to their respective participants, by those participants to their respective indirect participants, and by the participants and indirect participants to beneficial owners of interests in the Global Note or Global Certificate will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Any credit ratings on the Notes do not address all risks relating to an investment in the Notes, and a downgrade in ratings may affect the market price and liquidity of the Notes.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension, downgrade or withdrawal at any time by the assigning rating organization. Not all issues of Notes may be rated and such ratings are limited in scope, and do not address all material risks relating to an investment in the Notes, but reflect only the view of each rating agency at the time the rating is issued. There is no assurance that such credit ratings will remain in effect for any given period of time or that such ratings will not be revised, downgraded, suspended or withdrawn entirely by the rating agencies. In addition, any of such actions by the rating agencies could reduce the number of potential investors of the Notes and adversely affect the prices and liquidity of the Notes.

The book-entry registration system of the Notes may reduce the liquidity of any secondary market for the Notes and may limit the receipt of payments by the beneficial owners of the Notes.

Because transfers of interests in the Global Notes or Global Certificates can be effected only through book entries at Clearstream, Euroclear, CDP or the CMU in the case of the Global Notes or Global Certificates to be issued in reliance on Regulation S, or DTC, in the case of the Global Certificates to be issued in reliance on Rule 144A, for the accounts of their respective participants, the liquidity of any secondary market for Global Notes or Global Certificates may be reduced to the extent that some investors are unwilling to hold Notes in book-entry form in the name of a Clearstream, Euroclear, CDP, the CMU or DTC participant. The ability to pledge interests in the Global Notes or Global Certificates may be limited due to the lack of a physical certificate. Beneficial owners of Global Notes or Global Certificates may, in certain cases, experience delay in the receipt of payments of principal and interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of Perpetual Capital Securities only), as applicable, since such payments will be forwarded by the paying agent to Clearstream, Euroclear or DTC, as applicable, who will then forward payment to their respective participants, who (if not themselves the beneficial owners) will thereafter forward payments to the beneficial owners of the interests in the Global Notes or Global Certificates. In the event of the insolvency of Clearstream, Euroclear, CDP, the CMU, DTC or any of their respective participants in whose name interests in the Global Notes or Global Certificates are recorded, the ability of beneficial owners to obtain timely or ultimate payment of principal and interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of Perpetual Capital Securities only), as applicable, on Global Notes or Global Certificates may be impaired.

Where the AMTNs are lodged with the Austraclear System, investors will have to rely on the procedures of Austraclear for transfer, payment and communication with us.

AMTNs will be issued in registered certificated form. Each Tranche of AMTNs will be represented by an AMTN Certificate. Each AMTN Certificate is a certificate representing the AMTNs of a particular Tranche and will be substantially in the form set out in the Note (AMTN) Deed Poll, duly completed and signed by us and authenticated by the Registrar in respect of AMTNs. An AMTN Certificate is not a negotiable instrument nor is it a document of title. Title to any AMTNs, which is the subject of an AMTN Certificate, is evidenced by entry in the Register and, in the event of a conflict, the Register shall prevail (subject to correction for fraud or proven error).

We may procure that the AMTNs are lodged with the Austraclear System. On lodgment, Austraclear will become the sole registered holder and legal owner of the AMTNs. Subject to the rules and regulations known as the "Austraclear System Regulations" established by Austraclear (as amended or replaced from time to time) to govern the use of the Austraclear System, participants of the Austraclear System ("**Accountholders**") may acquire rights against Austraclear in relation to those AMTNs as beneficial owners and Austraclear is required to deal with the

AMTNs in accordance with the directions and instructions of the Accountholders. Investors in AMTNs who are not Accountholders would need to hold their interest in the relevant AMTNs through a nominee who is an Accountholder. All payments made by us in respect of AMTNs lodged with the Austraclear System will be made directly to an account agreed with Austraclear or as it directs in accordance with the Austraclear System Regulations.

Where the AMTNs are lodged with the Austraclear System, any transfer of AMTNs will be subject to the Austraclear System Regulations. Secondary market sales of AMTNs cleared through the Austraclear System will be settled in accordance with the Austraclear System Regulations.

Investors may experience difficulties in effecting service of legal process, recovering in civil proceedings for United States securities laws violations, enforcing foreign judgments or bringing original actions against us or our management in Singapore, Malaysia, Indonesia, Greater China or any of the jurisdictions in which our subsidiaries are incorporated or operate based on United States or other foreign laws.

We are a company with limited liability incorporated under the laws of Singapore and substantially all of our assets are located outside the United States. In addition, most or all of our directors and executive officers reside outside the United States, and a substantial portion of their assets are located outside of the United States. We conduct a substantial majority of our operations in Singapore and Malaysia and significantly all of our or our subsidiaries' assets are located in Singapore, Malaysia, Greater China and Indonesia. We have been advised by Allen & Gledhill LLP, our Singapore counsel, that judgments of U.S. courts based upon the civil liability provisions of federal or state securities laws are not enforceable in Singapore courts and that there is doubt as to whether Singapore courts will enter judgments in original actions brought in Singapore courts of civil liabilities predicated solely upon the U.S. federal or state securities laws.

As a result, it may not be possible for investors to effect service of process within the United States upon us or our subsidiaries or any of our respective directors and executive officers, or to enforce any judgments obtained in U.S. courts predicated upon civil liability provisions of the U.S. securities laws. In addition, we cannot assure investors that civil liabilities predicated upon the federal or state securities laws of the United States will be enforceable in such jurisdictions. See "Enforceability of Judgments".

We may not continue to enjoy tax concessions under Singapore tax laws.

The Notes to be issued from time to time under the Program during the period from the date of this Offering Memorandum to December 31, 2023 are intended to be "qualifying debt securities" for the purposes of the Income Tax Act 1947 of Singapore ("**ITA**") subject to the fulfillment of certain conditions more particularly described in the section "Taxation – Singapore Taxation".

However, there is no assurance that such Notes will continue to enjoy the tax concessions in connection therewith should the relevant tax laws be amended or revoked at any time.

Tax treatment of Subordinated Notes or Perpetual Capital Securities that contain non-viability loss absorption provisions is unclear.

It is not clear whether any particular Tranche of the Subordinated Notes or the Perpetual Capital Securities, as applicable, which contains non-viability loss absorption provisions will be regarded as debt securities by the Inland Revenue Authority of Singapore ("**IRAS**") for the purposes of the ITA and whether the tax concessions available for qualifying debt securities under the Qualifying Debt Securities Scheme (as set out in "Taxation – Singapore Taxation") would apply to such Tranche of the Subordinated Notes or Perpetual Capital Securities, as applicable. There is also no assurance that any Tranche of Subordinated Notes or Perpetual Capital Securities, as the case may be, to be issued from time to time under the Program will be able to enjoy such tax concessions should the relevant tax laws be amended or revoked at any time.

If any Tranche of the Subordinated Notes or the Perpetual Capital Securities, as applicable, is not regarded as debt securities for the purposes of the ITA and/or holders thereof are not eligible for the tax concessions under the Qualifying Debt Securities Scheme, the tax treatment to holders may differ. Investors and holders of any Tranche of the Subordinated Notes or the Perpetual Capital Securities, as applicable, should consult their own accounting and tax advisors regarding the Singapore income tax consequences of their acquisition, holding and disposal of such Tranche of the Subordinated Notes or the Perpetual Capital Securities, as applicable.

Characterization of certain Notes may be unclear for U.S. federal income tax purposes.

The characterization of a Series or Tranche of Notes (including Subordinated Notes and Perpetual Capital Securities) may be uncertain for U.S. federal income tax purposes and will depend on the terms of those Notes. The determination of whether an obligation represents debt, equity, or some other instrument or interest is based on all the relevant facts and circumstances. There may be no U.S. statutory, judicial or administrative authority directly addressing the characterization of some of the types of Notes that are anticipated to be issued under the Program or of instruments similar to the Notes. Each U.S. Holder (as defined in "Taxation – Certain United States Federal Income Tax Considerations") should consult its own tax advisor about the proper characterization of the Notes for U.S. federal income tax purposes and consequences to the U.S. Holder of acquiring, owning or disposing of the Notes.

Noteholders or Securityholders, as the case maybe, may face certain risks associated with exchange rate fluctuations and any modifications to exchange controls.

We will pay principal and interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, on the Notes in the currency specified (the "**Settlement Currency**"). This presents certain risks relating to currency conversions if a Noteholder's or Securityholder's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Settlement Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Settlement Currency or appreciation of the Investor's Currency) and the risk that authorities with jurisdiction over the Settlement Currency or Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Settlement Currency would decrease (a) the Investor's Currency-equivalent yield on the Notes, (b) the Investor's Currency-equivalent value of the principal payable on the Notes and (c) the Investor's Currency-equivalent market value of the Notes. Imposition of exchange controls by government and monetary authorities could materially adversely affect an applicable exchange rate. As a result, Noteholders or Securityholders, as the case may be, may receive less interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, or principal than expected, or no interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, or principal.

The regulation and reform of "benchmark" rates of interest and indices may adversely affect the value of Notes linked to or referencing such "benchmarks".

The Program allows for the issuance of Notes that reference certain interest rates or other types of rates or indices which are deemed to be "benchmarks", in particular with respect to certain Floating Rate Notes or Floating Rate Perpetual Capital Securities where the Reference Rate (as defined in the Conditions) may be Hong Kong Interbank Offered Rate ("**HIBOR**"), Euro Interbank Offered Rate ("**EURIBOR**"), Sterling Overnight Index Average ("**SONIA**") Benchmark, Sterling Overnight Index Average ("**SOFR**") Benchmark or Singapore Overnight Rate Average ("**SORA**") Benchmark or another such benchmark. The Pricing Supplement for the Notes will specify whether HIBOR, EURIBOR, SONIA Benchmark, SOFR Benchmark or SORA Benchmark or another such benchmark is applicable.

Interest rates and indices which are deemed to be or used as "benchmarks" are the subject of recent international regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Floating Rate Note or Floating Rate Perpetual Capital Security where the interest rate is calculated with reference to such benchmarks.

More broadly, any of the international reforms or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. For example, on July 27, 2017, the United Kingdom Financial Conduct Authority announced that it will no longer persuade or compel banks to submit rates for the calculation of the London Inter-Bank Offered Rate ("**LIBOR**") benchmark after 2021 and, on July 12, 2018, announced that the LIBOR benchmark may cease to be a regulated benchmark under the Benchmark Regulation (together, the "**FCA Announcements**").

The elimination of the LIBOR, SOR or SIBOR benchmark or any other benchmark, or changes in the manner of administration of any benchmark, could require an adjustment to the terms and conditions, or result in other consequences, in respect of any Floating Rate Note or Floating Rate Perpetual Capital Security linked to such benchmark. Such factors may have the following effects on certain benchmarks: (i) discourage market participants from continuing to administer or contribute to the benchmark; (ii) trigger changes in the rules or methodologies used in the benchmark or (iii) lead to the disappearance of the "benchmark".

Any of the above changes or any other consequential changes as a result of international reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Floating Rate Notes or Floating Rate Perpetual Capital Security linked to or referencing a benchmark.

Where Screen Rate Determination is specified as the manner in which the Rate of Interest (or the Rate of Distribution) in respect of Floating Rate Notes or Floating Rate Perpetual Capital Securities is to be determined, the Conditions provide that the Rate of Interest (or the Rate of Distribution, in the case of Perpetual Capital Securities) shall be determined by reference to the relevant screen page or website depending on whether the Reference Rate is specified as being (or derived from) HIBOR, EURIBOR, SONIA Benchmark, SOFR Benchmark or SORA Benchmark. In the case of any discontinuation or disapplication of such Reference Rate in accordance with the Conditions, which may include circumstances where the regulatory supervisor of the administrator of the original Reference Rate makes a public statement that such Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market, Condition 4(o) (in respect of Floating Rate Notes) and Condition 4(l) (in respect of Floating Rate Perpetual Capital Securities) sets out more details on the mechanics for determining the Rate of Interest or the Rate of Distribution, respectively, in the absence of the original applicable Reference Rate. Such mechanics may involve the determination of a replacement Reference Rate and a spread adjustment to be applied to such replacement Reference Rate. The use of any replacement Reference Rate and application of a spread adjustment determined in accordance with Condition 4(o) (in respect of Floating Rate Notes) and Condition 4(l) (in respect of Floating Rate Perpetual Capital Securities) to determine the Rate of Interest or the Rate of Distribution, respectively, is likely to result in Notes initially linked to or referencing the original Reference Rate performing differently (which may include payment of a lower Rate of Interest or lower Rate of Distribution, as applicable) than they would do if the original applicable Reference Rate were to continue to apply in its current form. Any such determination which involves the exercise of discretion by the Issuer or, if the designated person is an affiliate of the Issuer, such affiliate, may also present the Issuer or such affiliate with a conflict of interest.

Furthermore, if a replacement Reference Rate has been determined by the Issuer (or its designated person, as the case may be) in accordance with Condition 4(o) (in respect of Floating Rate Notes) and Condition 4(l) (in respect of Floating Rate Perpetual Capital Securities), the Conditions provide that the Issuer may vary the Conditions and/or the Trust Deed, as necessary to ensure the proper operation of such replacement Reference Rate, without any requirement for consent or approval of the Noteholders.

Where Condition 4(o) (in respect of Floating Rate Notes) and Condition 4(l) (in respect of Floating Rate Perpetual Capital Securities) is specified in the relevant Pricing Supplement as the applicable mechanics for determining a replacement Reference Rate, there may be circumstances in which a new replacement Reference Rate may not be able to be determined before the next Interest Determination Date (or the next Distribution Determination Date in the case of Perpetual Capital Securities), or where a replacement Reference Rate is not adopted because it could reasonably be expected to prejudice the qualification of the Notes as Tier 2 capital or Additional Tier 1 capital (as the case may be) and/or the Notes as eligible liabilities or loss absorbing capacity instruments for the purposes of any applicable loss absorption regulations. In such event, the Rate of Interest or the Rate of Distribution for the next succeeding Interest Period (or the next succeeding Distribution Period in the case of Perpetual Capital Securities) will be the Rate of Interest or the Rate of Distribution applicable as at the last preceding Interest Determination Date or Distribution Determination Date before the discontinuation or disapplication of the original Reference Rate in accordance with the Conditions. This is likely to result in Notes linked to or referencing the relevant benchmark performing differently (which may include payment of a lower Rate of Interest or Rate of Distribution) than they would do if the relevant benchmark were to continue to apply, or if a replacement Reference Rate could be determined. The initial Rate of Interest or the initial Rate of Distribution, or the Rate of Interest or the Rate of Distribution applicable as at the last preceding Interest Determination Date or Distribution Determination Date before the discontinuation or disapplication of the original applicable Reference Rate in accordance with the Conditions, could, as a result, continue to apply to maturity, which would lead to the Floating Rate Notes, in effect, becoming Fixed Rate Notes.

Where ISDA Determination is specified as the manner in which the Rate of Interest or the Rate of Distribution in respect of Floating Rate Notes is to be determined, the Conditions provide that the Rate of Interest or the Rate of Distribution in respect of the Floating Rate Notes shall be determined by reference to the relevant Floating Rate Option in the 2021 ISDA Definitions. Where the Floating Rate Option specified is an "IBOR" Floating Rate Option, the Rate of Interest or the Rate of Distribution may be determined by reference to the relevant screen rate or the rate determined on the basis of quotations from certain banks. If the relevant IBOR is permanently discontinued and the relevant screen rate or quotations from banks (as applicable) are not available, the operation of these provisions may lead to uncertainty as to the Rate of Interest or the Rate of Distribution that would be applicable, and may, adversely affect the value of, and return on, the Floating Rate Notes and Floating Rate Perpetual Capital Securities.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by any international reforms in making any investment decision with respect to any Notes linked to or referencing a benchmark.

Negative benchmark rates would reduce the rate of interest or distribution on the Floating Rate Notes and Floating Rate Perpetual Capital Securities.

The interest rate or distribution rate, as the case may be, to be borne by Floating Rate Notes or Floating Rate Perpetual Capital Securities is based on a spread over the relevant benchmark, including HIBOR, EURIBOR, SONIA Benchmark, SOFR Benchmark, SORA Benchmark or another benchmark. Changes in the relevant benchmark rate will affect the rate at which Floating Rate Notes or Floating Rate Perpetual Capital Securities accrue interest (or distribution) and the amount of interest (or distribution) payments on Floating Rate Notes or Floating Rate Perpetual

Capital Securities. To the extent that the relevant benchmark rate decreases below 0.00% for any interest period (or distribution period), the rate at which the Floating Rate Notes or Floating Rate Perpetual Capital Securities accrue interest (or distribution) for such interest period (or distribution period) may be reduced by the amount by which such benchmark rate is negative. The all-in interest rate (or distribution rate) at which the Floating Rate Notes or Floating Rate Perpetual Capital Securities accrue interest (or distribution) would be limited to the Minimum Rate of Interest (or Minimum Rate of Distribution) as set out in the relevant Pricing Supplement for such interest period or distribution period. Unless otherwise specified in the relevant Pricing Supplement, the Minimum Rate of Interest and the Minimum Rate of Distribution, as applicable, will be zero.

The market continues to develop in relation to risk free rates (including overnight rates) as reference rates for Floating Rate Notes and Floating Rate Perpetual Capital Securities.

Investors should be aware that the market continues to develop in relation to risk free rates as reference rates in the capital markets and their adoption as alternatives to the relevant interbank offered rates. For example, on November 29, 2017, the Bank of England and the United Kingdom Financial Conduct Authority announced that the Bank of England's Working Group on Sterling Risk-Free Rates had been mandated with implementing a broad-based transition to the Sterling Overnight Index Average ("**SONIA**") over the following four years across sterling bond, loan and derivatives markets, so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021. The New York Federal Reserve (the "**NY Federal Reserve**") also began to publish SOFR in April 2018, and the Alternative Reference Rates Committee (the "**ARRC**") has published its Paced Transition Plan which outlines the key milestones until the end of 2021 to facilitate a smooth and orderly transition from USD LIBOR to SOFR. On August 30, 2019, the MAS similarly announced the establishment of a SC-STS to oversee an industry-wide benchmark transition from SOR to SORA and on October 27, 2020, the SC-STS announced industry timelines to support a coordinated shift away from the use of SOR in financial products and accelerate usage of SORA, including that all financial institutions and their customers should, by end-April 2021, cease usage of SOR in new loans and securities that mature after end-2021. On March 31, 2021, the SC-STS further announced new industry timelines to cease issuance of SOR derivatives and SIBOR-linked financial products by end-September 2021, including that all financial institutions and their customers should cease usage of SOR in new derivatives contracts (with certain exceptions) by end-September 2021. On July 29, 2021, the SC-STS further announced new industry timelines encouraging wholesale market participants to substantially shift out of their legacy SOR exposures by December 31, 2021, with specific recommendations in respect of corporate loans, derivatives and bonds to facilitate the transitions from SOR to SORA. For the retail loan market, the SC-STS has announced a longer transition period from September 2021 to October 2022.

In addition, market participants and relevant working groups are exploring alternative reference rates based on risk-free rates, examples of which include term SONIA reference rates, term SOFR reference rates and term SORA reference rates (which seek to measure the market's forward expectation of an average SONIA, SOFR or SORA rate over a designated term).

The market or a significant part thereof may adopt an application of risk free rates that differs significantly from that set out in the Conditions and used in relation to any that reference risk free rates issued under the Program. The relevant Issuer may in the future also issue Notes referencing risk free rates that differ materially in terms of interest determination when compared with any previous Notes referencing the same risk free rate issued by it under the Program. The development of risk free rates as interest reference rates for the Eurobond markets and of the market infrastructure for adopting such rates could result in reduced liquidity or increased volatility or could otherwise affect the market price of any Notes issued under the Program which references any such risk free rate from time to time.

Furthermore, the basis of deriving certain risk free rates, such as SOFR, SONIA or SORA, may mean that interest on Notes which reference any such risk free rate would only be capable of being determined after the end of the relevant Observation Period or Interest Accrual Period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference any such risk free rate to accurately estimate the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely impact the liquidity of such Notes. Further, in contrast to LIBOR-linked Notes, if Notes referencing SONIA Benchmark, SOFR Benchmark or SORA Benchmark become due and payable as a result of an event of default under the Conditions, the rate of interest payable for the final Interest Period in respect of such Notes shall only be determined on the date which the Notes become due and payable and shall not be reset thereafter. Investors should consider these matters when making their investment decision with respect to any such Notes.

In addition, the manner of adoption or application of risk free rates in the Eurobond markets may differ materially compared with the application and adoption of such risk free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of risk free rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk free rates.

Since risk free rates are relatively new market indices, Notes linked to any such risk free rate may have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities indexed to any risk free rate, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of such Notes may be lower than those of later-issued indexed debt securities as a result. Further, if any risk free rate to which a series of Notes is linked does not prove to be widely used in securities like the Notes, the trading price of such Notes linked to a risk free rate may be lower than those of Notes linked to indices that are more widely used. Investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. Daily changes in such rates may also be more volatile than daily changes in other benchmarks or market rates, such that the value on and value of Notes linked to risk-free rates may fluctuate more than floating rate debt securities linked to less volatile rates. There can also be no guarantee that any risk free rate to which a series of Notes is linked will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Notes referencing such risk free rate. If the manner in which such risk free rate is calculated is changed, that change may result in a reduction of the amount of interest payable on such Notes and the trading prices of such Notes.

Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisors to determine whether and to what extent (i) the Notes are legal investments for it; (ii) the Notes can be used as collateral for various types of borrowing; and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Information Reporting Obligations.

Information relating to the Notes, their holders and beneficial owners may be required to be provided to tax authorities in certain circumstances pursuant to domestic or international reporting and transparency regimes. This may include (but is not limited to) information relating to the value of the Notes, amounts paid or credited with respect to the Notes, details of the holders or beneficial owners of the Notes and information and documents in connection with transactions relating to the Notes. In certain circumstances, the information obtained by a tax authority may be provided to tax authorities in other countries. Some jurisdictions operate a withholding system in place of, or in addition to, such provision of information requirements. Pursuant to the terms and conditions of the Notes and subject to certain limitations, a holder or beneficial owner of Notes is required to provide information reasonably requested by us for the purposes of our compliance with applicable information reporting regimes.

Risks Relating to Renminbi-Denominated Notes

Notes denominated in Renminbi ("**RMB Notes**") may be issued under the Program. RMB Notes contain particular risks for potential investors.

Renminbi is not freely convertible; there are significant restrictions on remittance of Renminbi into and outside the People's Republic of China (the "PRC").

Renminbi is not freely convertible at present. The PRC government continues to regulate conversion between Renminbi and foreign currencies despite the significant reduction over the years by the PRC government of control over routine foreign exchange transactions under current accounts.

Currently, participating banks in Singapore, Hong Kong, Taiwan, London, Frankfurt, Seoul, Toronto, Sydney, Doha, Paris, Luxembourg, Kuala Lumpur and Bangkok have been permitted to engage in the settlement of Renminbi trade transactions. This represents a current account activity. However, remittance of Renminbi by foreign investors into the PRC for the purposes of capital account items, such as capital contributions, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are developing gradually.

Although, since October 1, 2016, the Renminbi has been added to the Special Drawing Rights basket created by the International Monetary Fund, there is no assurance that the PRC government will continue to gradually liberalize the control over cross-border remittances of Renminbi funds in the future, that the pilot schemes for Renminbi cross-border utilization will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi funds into or out of the PRC. In the event that funds cannot be repatriated out of the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of the Issuer to source Renminbi to finance its obligations under the Notes denominated in Renminbi. Each investor should consult its own advisors to obtain a more detailed explanation of how the PRC regulations and rules may affect their investment decisions.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of RMB Notes and our ability to source Renminbi outside the PRC to service such RMB Notes.

As a result of the restrictions by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited. While People's Bank of China ("**PBOC**") has entered into agreements on the clearing of Renminbi business with financial institutions in a number of financial centers and cities (the "**Renminbi Clearing Banks**") and are in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions (the "**Settlement Arrangements**"), the current size of Renminbi denominated financial assets outside the PRC is limited.

There are restrictions imposed by PBOC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from PBOC. The Renminbi Clearing Banks only have access to onshore liquidity support from PBOC for the purpose of squaring open positions of participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In such cases, the participating banks will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC rules and regulations will not be promulgated or amended or the Settlement Arrangements will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of RMB Notes. To the extent we are required to source Renminbi in the offshore market to service its RMB Notes, there is no assurance that we will be able to source such Renminbi on satisfactory terms, if at all. If Renminbi is not available in certain circumstances as described under the Notes, we may make payments under the Notes in a currency other than Renminbi.

Investment in RMB Notes is subject to exchange rate risks.

The value of Renminbi against the U.S. dollar and other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions and by many other factors. In August 2015, the PBOC implemented changes to the way it calculates the Renminbi's daily mid-point against the U.S. dollar to take into account market-maker quotes before announcing such daily mid-point. This change, and others that may be implemented, may increase the volatility in the value of the Renminbi against foreign currencies. In addition, the ongoing Sino-US trade tensions has also contributed to the fluctuation of the value of Renminbi against the U.S. dollar, resulting in the easing of the Renminbi in recent months. All payments of interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, and principal will be made with respect to RMB Notes in Renminbi, save as provided in Note Condition 7(j) (in respect of the Notes other than the Perpetual Capital Securities) and Perpetual Capital Securities Condition 8(f) (in respect of the Perpetual Capital Securities only), as applicable. As a result, the value of these Renminbi payments may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against another foreign currency, the value of the investment made by a holder of the RMB Notes in that foreign currency will decline. If an investor measures its investment returns by reference to a currency other than Renminbi, an investment in the RMB Notes entails foreign exchange related risks, including possible significant changes in the value of RMB relative to the currency by reference to which an investor measures its investment returns. Depreciation of the Renminbi against such currency could cause a decrease in the effective yield of the RMB Notes below their stated coupon rates and could result in a loss when the return on the RMB Notes is translated into such currency. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in RMB Notes.

Investment in the RMB Notes is subject to currency risk.

If we are not able, or it is impracticable for us, to satisfy our obligation to pay interest (in respect of the Notes other than the Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable, and principal on the RMB Notes as a result of Inconvertibility, Non-transferability or Illiquidity (each as defined in the relevant Conditions), we shall be entitled, on giving not less than five or more than 30 days' irrevocable notice to the Noteholders or the Securityholders, as the case may be, prior to the due date for payment, to settle any such payment in U.S. Dollars or Singapore dollars, as the case may be, on the due date at the U.S. Dollar Equivalent or the Singapore Dollar Equivalent, respectively, of any such Renminbi denominated amount.

Payments in respect of RMB Notes will only be made to investors in the manner specified in such RMB Notes.

All payments to investors in respect of RMB Notes will be made solely (a) when RMB Notes are represented by Global Certificates, by transfer to a Renminbi bank account maintained in Hong Kong or Singapore, as the case may be, in accordance with prevailing CMU rules and procedures or CDP rules, as the case may be, or (b) when RMB Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong or Singapore in accordance with prevailing rules and regulations.

In the event that a holder of RMB Notes fails to maintain a valid Renminbi account with a bank in Hong Kong or Singapore, as the case may be, and, accordingly, payments are unsuccessful, it is possible that such amounts may be settled in a currency other than Renminbi. Other than as described in the Conditions, we cannot be required to make payment by any other means (including in any other currency or in bank notes, by check or draft or by transfer to a bank account in the PRC).

Gains on the transfer of the RMB Notes may become subject to income taxes under PRC tax laws

Under the PRC Enterprise Income Tax Law, the PRC Individual Income Tax Law and the relevant implementing rules, as amended from time to time, any gain realized on the transfer of RMB Notes by non-PRC resident enterprise or individual holders may be subject to PRC enterprise income tax ("**EIT**") or PRC individual income tax ("**IIT**") if such gain is income derived from sources within the PRC. However, uncertainty remains as to whether the gain realized from the transfer of RMB Notes by non-PRC resident enterprise or individual holders would be treated as income derived from sources within the PRC and subject to the EIT or IIT. This will depend on how the PRC tax authorities interpret, apply or enforce the PRC Enterprise Income Tax Law, the PRC Individual Income Tax Law and the relevant implementing rules. According to the arrangement between the PRC and Hong Kong, for avoidance of double taxation, holders who are residents of Hong Kong, including enterprise holders and individual holders, will not be subject to the PRC EIT or IIT on capital gains derived from a sale or exchange of the Notes.

Therefore, if non-PRC enterprise or individual resident holders are required to pay PRC income tax on gains derived from the transfer of RMB Notes (such EIT is currently levied at the rate of 10 per cent. of gains realized and such IIT is currently levied at the rate of 20 per cent. of gains realized (with deduction of reasonable expenses), unless there is an applicable tax treaty between PRC and the jurisdiction in which such non-PRC enterprise or individual resident holders of RMB Notes reside that reduces or exempts the relevant EIT or IIT), the value of their investment in RMB Notes may be materially and adversely affected.

EXCHANGE RATES

The following table sets forth, for the periods indicated, information concerning the exchange rates between Singapore dollars and U.S. dollars based on the average mid-day rate published by the MAS on each business day during the relevant period.

	Singapore dollars per U.S.$1.00 Mid-Day Rate			
	Average	**Low**	**High**	**Period End**
Fiscal Year/Period				
2016	1.3811	1.3375	1.4499	1.4463
2017	1.3807	1.3366	1.4489	1.3366
2018	1.3491	1.3053	1.3865	1.3648
2019	1.3642	1.3465	1.3940	1.3472
2020	1.3792	1.3221	1.4592	1.3221
2021	1.3439	1.3174	1.3709	1.3517
Three months ended March 31, 2022	1.3527	1.3431	1.3666	1.3534

The following table sets forth, for the periods indicated, information concerning the exchange rates between Singapore dollars and U.S. dollars based on the average mid-day rate published by the MAS on each business day during the relevant period.

	Singapore dollars per U.S.$1.00 Mid-Day Rate			
	Average	**Low**	**High**	**Period End**
Month				
January 2022	1.3506	1.3431	1.3588	1.3557
February 2022	1.3467	1.3431	1.3597	1.3597
March 2022	1.3593	1.3534	1.3666	1.3534

The above tables illustrate how many Singapore dollars it would take to buy one U.S. dollar. These transactions should not be construed as a representation that those Singapore dollar or U.S. dollar amounts could have been, or could be, converted into U.S. dollars or Singapore dollars, as the case may be, at any particular rate, or at all.

Exchange Controls

Currently, there are no exchange control restrictions in Singapore.

TERMS AND CONDITIONS OF THE NOTES OTHER THAN THE PERPETUAL CAPITAL SECURITIES

*The following is the text of the terms and conditions that, save for the words in italics and, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the applicable Pricing Supplement, shall be applicable to the Notes (other than the Perpetual Capital Securities (as defined in the Trust Deed referred to below) in definitive form (if any) issued in exchange for the Global Note(s) or Global Certificate(s) representing each Series and to AMTNs (as defined below). These terms and conditions, together with the relevant provisions of the applicable Pricing Supplement, as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes (other than AMTNs). All capitalized terms that are not defined in these Conditions will have the meanings given to them in the applicable Pricing Supplement or the Trust Deed, as the case may be. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in these Conditions to "**Notes**" are to the Notes of one Series only, not to all Notes that may be issued under the Program. References in these Conditions to the "**Issuer**" are to the Issuer issuing Notes under one Series, which, in the case of any Senior Notes, is a reference to Oversea-Chinese Banking Corporation Limited ("**OCBC**") or any of its branches outside Singapore or certain other companies in and outside Singapore, each being a subsidiary of OCBC (as may be specified in the applicable Pricing Supplement) and in the case of any Subordinated Notes, is a reference to OCBC.*

The Notes (other than Notes which are specified in the applicable Pricing Supplement as being denominated in Australian dollars, issued in the Australian domestic capital market and ranking as senior obligations of the Issuer ("**AMTNs**")) are constituted by an amended and restated trust deed (as amended or supplemented as at the date of issue of the Notes (the "**Issue Date**")) dated April 6, 2022 (the "**Trust Deed**") between Oversea-Chinese Banking Corporation Limited ("**OCBC**") (as may be acceded to by any branch of OCBC outside Singapore and Specified Issuers (as defined below) from time to time by the execution of a deed of accession in respect of Senior Notes (as defined below) only) and The Bank of New York Mellon, London Branch (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below) and, if the Notes are specified in the applicable Pricing Supplement as being governed by Singapore law, as supplemented by the Singapore supplemental trust deed (as amended or supplemented as at the Issue Date) dated April 6, 2022 between OCBC (as may be acceded to by any branch of OCBC outside Singapore and Specified Issuers from time to time by the execution of a deed of accession in respect of Senior Notes only) and the Trustee (the "**Singapore Supplemental Trust Deed**"), and where applicable, the Notes which are specified in the applicable Pricing Supplement to be held in and cleared through The Central Depository (Pte) Limited ("**CDP**") are issued with the benefit of a deed of covenant dated August 31, 2012, as supplemented on March 9, 2018, relating to the Notes executed by OCBC (and as further amended, varied or supplemented from time to time, the "**CDP Deed of Covenant**"). AMTNs will be constituted by the Deed Poll dated July 5, 2011 (as amended and supplemented from time to time, the "**Note (AMTN) Deed Poll**"). The provisions of these Conditions (as defined below) relating to Bearer Notes, Certificates, Receipts, Coupons and Talons do not apply to Notes specified in the Pricing Supplement as being AMTNs. The Trustee is not appointed in respect of AMTNs, therefore, to the extent that these Conditions relate to AMTNs, any reference herein to the agreement, opinion, approval, consent, satisfaction or any similar action or decision (however described) being specified or required of, from, by or on the part of the Trustee with respect to any Notes or documents, such agreement, opinion, approval, consent, satisfaction or any similar action or decision (however described) of the Trustee shall not be required in respect of any such AMTNs, the Note (AMTN) Deed Poll or any other document or agreement in connection with them and, where relevant, any other documents expressed to be applicable to a tranche of Notes.

These terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Receipts, Coupons and Talons defined and referred to below. OCBC (and any other branches of OCBC outside Singapore and Specified Issuers which may from time to time accede to the Agency Agreement (as defined below) by the execution of a deed of accession in respect of Senior Notes only), the Trustee, The Bank of New York Mellon, London Branch, as initial issuing and paying agent in relation to each Series of Notes other than AMTNs or any Series of Notes to be held through CDP, in the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority (the "**CMU**") or through The Depository Trust Company ("**DTC**"), The Bank of New York Mellon, Hong Kong Branch as initial CMU lodging and paying agent in relation to each Series of Notes to be held in CMU, The Bank of New York Mellon, Singapore Branch as initial CDP paying agent in relation to each Series of Notes to be held in CDP, The Bank of New York Mellon, as issuing and paying agent, exchange agent and transfer agent and registrar in respect of each Series of Notes to be cleared through DTC and the other agents named therein have entered into an amended and restated agency agreement (as amended or supplemented as at the Issue Date, the "**Agency Agreement**") dated April 6, 2022 in relation to the Notes (other than AMTNs) and, if the Notes are specified in the applicable Pricing Supplement as being governed by Singapore law, as supplemented by the Singapore supplemental agency agreement (as amended and supplemented as at the Issue Date) dated April 6, 2022 between the Issuer, the CDP paying agent and the other agents named therein (the "**Singapore Supplemental Agency Agreement**"). OCBC and BTA Institutional Services Australia Limited as registrar and issuing and paying agent in Australia (the "**Australian Agent**") have entered into an Agency and Registry Services Agreement (as amended and supplemented from time to time, the "**Australian Agency Agreement**") dated July 5, 2011 in relation to the AMTNs. The issuing and paying agent, the CMU lodging and paying agent, the CDP paying agent, the U.S. paying agent, the exchange agent, the other paying agents, the registrar, the Australian agent, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Issuing and Paying Agent**", the "**CMU Lodging and Paying Agent**", the "**CDP Paying Agent**", the "**U.S. Paying Agent**", the "**Exchange Agent**", the "**Paying Agents**" (which expression shall include the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent and the Australian Agent), the "**Registrar**", the "**Australian Agent**", the "**Transfer Agents**" (which expression shall include the Registrar and the Australian Agent) and the "**Calculation Agent(s)**". For the purposes of these Conditions, all references (other than in relation to the determination of interest and other amounts payable in respect of the Notes) to the Issuing and Paying Agent shall (i) with respect to a Series of Notes to be held in CMU, be deemed to be a reference to the CMU Lodging and Paying Agent, (ii) with respect to a Series of Notes to be held in CDP, be deemed to be a reference to the CDP Paying Agent and (iii) with respect to a Series of Notes to be held in DTC, be deemed to be a reference to the U.S. Paying Agent and all such references shall be construed accordingly. Copies of the Trust Deed, the Singapore Supplemental Trust Deed, the Note (AMTN) Deed Poll, the Agency Agreement, the Singapore Supplemental Agency Agreement, the Australian Agency Agreement and the CDP Deed of Covenant referred to above are available for inspection free of charge during usual business hours at the principal office of the Trustee (presently at One Canada Square, London, E14 5AL, United Kingdom) and at the specified offices of the Paying Agents and the Transfer Agents (other than the Australian Agent). The Note (AMTN) Deed Poll will be held by the Australian Agent and copies of the Note (AMTN) Deed Poll and the Australian Agency Agreement referred to above are available for inspection free of charge during usual business hours at the principal office of the Australian Agent (presently at Level 2, 1 Bligh Street, Sydney, NSW 2000, Australia).

The Noteholders, the holders of the interest coupons (the "**Coupons**") relating to interest bearing Notes in bearer form and, where specified in the applicable Pricing Supplement, talons for further Coupons (the "**Talons**") (the "**Couponholders**") and the holders of the receipts for the payment of installments of principal (the "**Receipts**") relating to Notes in bearer form of which the principal is payable in installments (the "**Receiptholders**") are entitled to the benefit of, are bound by, and are deemed to have notice of, these Conditions, (in respect of the holders of Notes (other than AMTNs)) all the provisions of the Trust Deed, the applicable Pricing Supplement and (in respect

of the AMTN holders only) the Note (AMTN) Deed Poll, and, in the case of Notes specified in the applicable Pricing Supplement as being governed by Singapore law, the Singapore Supplemental Trust Deed, and are deemed to have notice of those provisions applicable to them of the Agency Agreement, the Australian Agency Agreement or the Singapore Supplemental Agency Agreement, as the case may be. The Pricing Supplement for any Notes (or the relevant provisions thereof) shall be attached to or endorsed on such Notes. References to "**applicable Pricing Supplement**" are to the Pricing Supplement (or relevant provisions thereof) attached to or endorsed on the relevant Notes.

As used in these Conditions, "**Tranche**" means Notes which are identical in all respects, "**Series**" means a series of Notes comprising one or more Tranches, whether or not issued on the same date, that (except in respect of the first payment of interest and their issue price) have identical terms on issue and are expressed to have the same Series Number specified in the applicable Pricing Supplement, "**Specified Issuer**" means, in respect of Senior Notes only, certain other companies in and outside Singapore, each being a subsidiary of OCBC, as may be specified in the applicable Pricing Supplement and "**subsidiary**" has the meaning given to this term under the Companies Act 1967 of Singapore.

1 Form, Denomination and Title

The Notes are issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**"), as specified in the applicable Pricing Supplement, in each case in the Specified Currency and Specified Denomination(s) shown in the applicable Pricing Supplement. AMTNs and Subordinated Notes (as defined in Condition 3(b)) will only be issued in registered certificated form.

*All Registered Notes shall have the same Specified Denomination. Unless otherwise permitted by the then current laws and regulations, Notes which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 will have a minimum denomination of £100,000 (or its equivalent in other currencies). Notes sold in reliance on Rule 144A will be in minimum denominations of U.S.$200,000 (or its equivalent in other currencies) and integral multiples of U.S.$1,000 (or its equivalent in other currencies) in excess thereof, subject to compliance with all legal and/or regulatory requirements applicable to the relevant currency. Notes which are listed on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") will be traded on the SGX-ST in a minimum board lot size of S$200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time. In the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or in the United Kingdom or offered to the public in a Member State of the European Economic Area or in the United Kingdom in circumstances which require the publication of a prospectus under Regulation (EU) 2017/1129 (as amended or superseded), the minimum Specified Denomination shall be €100,000 or £100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).*

Each Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis specified in the applicable Pricing Supplement.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Notes that do not bear interest in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Any Bearer Note for which the applicable Pricing Supplement indicates such Notes are Installment Notes is issued with one or more Receipts attached.

Registered Notes (other than AMTNs) are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar or the Australian Agent in accordance with the provisions of the Agency Agreement or the Australian Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, "**Noteholder**" means the bearer of any Bearer Note and the Receipts, Coupons or Talons relating to it or the person in whose name a Registered Note is registered (as the case may be), "**holder**" (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalized terms have the meanings given to them in the applicable Pricing Supplement, the absence of any such meaning indicating that such term is not applicable to the Notes.

*For so long as any of the Notes is represented by a Global Note or Global Certificate held on behalf of Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream**"), each person (other than Euroclear or Clearstream) who is for the time being shown in the records of Euroclear and/or Clearstream as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear and/or Clearstream as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Trustee and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note or the registered holder of the relevant Global Certificate shall be treated by the Issuer, the Trustee and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note or Global Certificate and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly.*

For so long as DTC or its nominee is the registered owner or holder of a Global Certificate, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Global Certificate for all purposes under the Trust Deed and the Agency Agreement and those Notes except to the extent that in accordance with DTC's published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

References in these Conditions to Coupons, Talons, Couponholders, Receipts and Receiptholders relate to Bearer Notes only.

In the case of AMTNs, the following provisions shall apply in lieu of the foregoing provisions of Condition 1 in the event of any inconsistency.

AMTNs will be debt obligations of the Issuer owing under the Note (AMTN) Deed Poll, will be represented by a certificate ("**AMTN Certificate**") and will take the form of entries in a Register to be established and maintained by the Australian Agent in Sydney unless otherwise agreed with the Australian Agent (pursuant to the Australian Agency Agreement). The Agency Agreement and any Singapore Supplemental Agency Agreement are not applicable to the AMTNs.

AMTNs will not be serially numbered. Each entry in the Register constitutes a separate and individual acknowledgement to the relevant Noteholder of the indebtedness of the Issuer to the relevant Noteholder. The obligations of the Issuer in respect of each AMTN constitute separate and independent obligations which the Noteholder is entitled to enforce in accordance with these Conditions and the Note (AMTN) Deed Poll. Other than an AMTN Certificate, no certificate or other evidence of title will be issued by or on behalf of the Issuer unless the Issuer determines that certificates should be made available or it is required to do so pursuant to any applicable law or regulation.

No AMTN will be registered in the name of more than four persons. AMTNs registered in the name of more than one person are held by those persons as joint tenants. AMTNs will be registered by name only, without reference to any trusteeship and an entry in the Register in relation to an AMTN constitutes conclusive evidence that the person so entered is the registered owner of such AMTN, subject to rectification for fraud or error.

Upon a person acquiring title to any AMTNs by virtue of becoming registered as the owner of that AMTN, all rights and entitlements arising by virtue of the Note (AMTN) Deed Poll in respect of that AMTN vest absolutely in the registered owner of the AMTN, such that no person who has previously been registered as the owner of the AMTN has or is entitled to assert against the Issuer or the Australian Agent or the registered owner of the AMTN for the time being and from time to time any rights, benefits or entitlements in respect of the AMTN.

Each Tranche of AMTNs will be represented by a single AMTN Certificate substantially in the form set out in the Note (AMTN) Deed Poll. The Issuer shall issue and deliver, and procure the authentication by the Australian Agent of, such number of AMTN Certificates as are required from time to time to represent all of the AMTNs of each Series. An AMTN Certificate is neither a negotiable instrument nor a document of title in respect of any AMTNs represented by it. In the event of a conflict between any AMTN Certificate and the Register, the Register shall prevail (subject to correction for fraud or proven error).

2 No Exchange of Notes and Transfers of Registered Notes

(a) **No Exchange of Notes**: Registered Notes may not be exchanged for Bearer Notes. Bearer Notes may not be exchanged for Registered Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination.

(b) **Transfer of Registered Notes (other than AMTNs)**: This Condition 2(b) does not apply to AMTNs which are specified in the applicable Pricing Supplement to be Registered Notes. Subject to Condition 2(g), one or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may require without service charge and subject to payment of any taxes, duties and other governmental charges in respect of such transfer. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

Any transfer of interests in Notes evidenced by a Global Note or a Global Certificate will be effected in accordance with the rules of the relevant clearing systems. Transfers of a Global Certificate registered in the name of a nominee for DTC shall be limited to transfers of such Global Certificate, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor's nominee.

Any transfer of interests in any Subordinated Notes that are the subject of a Trigger Event Notice issued in accordance with Condition 6 or notice of issue of a Bail-in Certificate shall not be permitted during any Suspension Period (as defined below).

(c) **Exercise of Options or Partial Redemption, Write-off or Conversion in Respect of Registered Notes**: In the case of an exercise of an Issuer or Noteholder's option in respect of, or a partial redemption or (as the case may be) a partial Write-off (as defined in Condition 6(b)(i)) or conversion (if specified and as described in the applicable Pricing Supplement) of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed, Written-off (as defined below) or converted. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any other Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) **Delivery of New Certificates**: Each new Certificate to be issued pursuant to Condition 2(b) or Condition 2(c) shall be available for delivery within five business days of receipt of the request for transfer, exercise, redemption or exchange, form of transfer or Exercise Notice (as defined in Condition 5(e)) and surrender of the Certificate for transfer, exercise or redemption, except for any Write-off pursuant to Condition 6 or conversion (if specified and as described in the applicable Pricing Supplement) in which case any new Certificate to be issued shall be available for delivery as soon as reasonably practicable. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for transfer, exercise, redemption or exchange, form of transfer, Exercise Notice and/or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(e) **Transfers of AMTNs**: AMTNs may be transferred in whole but not part. Unless lodged in the clearing system operated by Austraclear Ltd ("**Austraclear**"), the AMTNs will be transferable by duly completed and (if applicable) stamped transfer and acceptance forms in the form specified by, and obtainable from, the Australian Agent or by any other manner approved by the Issuer and the Australian Agent. Each transfer and acceptance form must be accompanied by such evidence (if any) as the Australian Agent may require to prove the title of the transferor or the transferor's right to transfer the AMTNs and be signed by both the transferor and the transferee. AMTNs may only be transferred within, to or from Australia if (i) the aggregate consideration payable by the transferee at the time of transfer is at least A$500,000 (or its equivalent in any other

currency and, in either case, disregarding moneys lent by the transferor or its associates) or the offer or invitation giving rise to the transfer otherwise does not require disclosure to investors in accordance with Part 6D.2 or Chapter 7 of the Corporations Act 2001 of the Commonwealth of Australia (the "**Australian Corporations Act**"), (ii) the transfer is not to a "retail client" for the purposes of section 761G of the Australian Corporations Act, (iii) the transfer is in compliance with all applicable laws, regulations or directives (including, without limitation, in the case of a transfer to or from Australia, the laws of the jurisdiction in which the transfer takes place), and (iv) in the case of a transfer between persons outside Australia, if a transfer and acceptance form is signed outside Australia. A transfer to an unincorporated association is not permitted.

A person becoming entitled to an AMTN as a consequence of the death or bankruptcy of a Noteholder or of a vesting order or a person administering the estate of a Noteholder may, upon producing such evidence as to that entitlement or status as the Australian Agent considers sufficient, transfer such AMTN or, if so entitled, become registered as the holder of the AMTN.

Where the transferor executes a transfer of less than all of the AMTNs registered in its name, and the specific AMTNs to be transferred are not identified, the Australian Agent may register the transfer in respect of such of the AMTNs registered in the name of the transferor as the Australian Agent thinks fit, provided the aggregate nominal amount of the AMTNs registered as having been transferred equals the aggregate nominal amount of the AMTNs expressed to be transferred in the transfer.

(f) **Transfers Free of Charge**: Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption, Write-off or conversion (if and as specified in the applicable Pricing Supplement) shall be effected without charge by or on behalf of the Issuer, the Registrar, the Australian Agent or the Transfer Agents, but upon payment by the relevant Noteholder of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar, the Australian Agent or the relevant Transfer Agent may require).

(g) **Closed Periods**: No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of, or payment of any Installment Amount in respect of, that Note, (ii) during the period of 15 days before to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 5(d), (iii) after any such Note has been called for redemption, (iv) during the period of seven days ending on (and including) any Record Date, or (v) in respect of any Subordinated Notes, during a Suspension Period.

In these Conditions, "**Suspension Period**" means the period commencing on the business day in Singapore immediately following the date of a Trigger Event Notice (as defined in Condition 6(e)) or notice of issue of a Bail-in Certificate, as the case may be, and ending on the earlier of the close of business in Singapore on:

(i) the date on which the Registrar or any other Agent has (A) reflected the relevant Write-off or conversion (if and as specified in the applicable Pricing Supplement) in the Register or (B) issued a new Certificate (as the case may be) to such Noteholder in respect of the related Write-off or conversion (if and as specified in the applicable Pricing Supplement); and

(ii) on the tenth business day in Singapore immediately following the date of any such notice, or

in the event that a Bail-in Certificate has been issued, when the Bail-in Certificate has been effected.

In relation to any Suspension Period, "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

3 Status

(a) **Status of Senior Notes**: The senior notes (being those Notes that specify their status as senior in the applicable Pricing Supplement (the "**Senior Notes**")) and the Receipts and Coupons relating to them constitute direct and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Senior Notes and the Receipts and Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future.

(b) **Status of Subordinated Notes**: The subordinated notes (being those Notes that specify their status as subordinated in the applicable Pricing Supplement) (the "**Subordinated Notes**") constitute direct, unsecured and subordinated obligations of the Issuer and rank *pari passu* and without any preference among themselves. The rights and claims of the Noteholders are subordinated as described below.

(c) **Subordination**: Upon the occurrence of any winding-up proceeding (other than pursuant to a Permitted Reorganization (as defined below)), the rights of the Noteholders to the payment of the principal of, and interest on, the Subordinated Notes and any other obligations in respect of the Subordinated Notes are expressly subordinated and subject in right of payment to the prior payment in full of all claims of Senior Creditors, and will rank senior to the claims of the holders of all share capital of the Issuer and Additional Tier 1 Capital Securities and/or as otherwise specified in the applicable Pricing Supplement or in a supplement to the Offering Memorandum. The Subordinated Notes will rank *pari passu* with Tier 2 Capital Securities and/or as otherwise specified in the applicable Pricing Supplement or in a supplement to the Offering Memorandum and any instrument or security issued, entered into or guaranteed by the Issuer that ranks or is expressed to rank, by its terms or operation of law, *pari passu* with a Subordinated Note. In the event that (i) the Noteholders do not receive payment in full of the principal amount due and payable in respect of the Subordinated Notes plus interest thereon accrued to the date of repayment in any winding-up of the Issuer and (ii) the winding-up order or resolution passed for the winding-up of the Issuer or the dissolution of the Issuer is subsequently stayed, discharged, rescinded, avoided, annulled or otherwise rendered inoperative, then to the extent that such Noteholders did not receive payment in full of such principal of and interest on such Subordinated Notes, such unpaid amounts shall remain payable in full; provided that payment of such unpaid amounts shall be subject to the provisions under this Condition 3, Condition 6 and Condition 1 0(b)(ii) and Clause 5 and Clause 8.2 of the Trust Deed.

The Issuer has agreed, pursuant to the terms of the Trust Deed, to indemnify the Noteholders against any loss incurred as a result of any judgment or order being given or made for any amount due under the Subordinated Notes and such judgment or order being expressed and paid in a currency other than the Specified Currency. Any amounts due under such indemnification will be similarly subordinated in right of payment with other amounts due on the Subordinated Notes and payment thereof shall be subject to the provisions under this Condition 3 and Condition 10(b)(ii) and Clause 8.2 of the Trust Deed.

On a winding-up of the Issuer, there may be no surplus assets available to meet the claims of the Noteholders after the claims of the parties ranking senior to the Noteholders (as provided in this Condition 3 and Clause 5 of the Trust Deed) have been satisfied.

The subordination provisions set out in this Condition 3(c) are effective only upon the occurrence of any winding-up proceedings of the Issuer. In the event that a Trigger Event occurs, the rights of holders of Subordinated Notes shall be subject to Condition 6. This may not result in the same outcome for holders of Subordinated Notes as would otherwise occur under this Condition 3(c) upon the occurrence of any winding-up proceedings.

In these Conditions:

"**Additional Tier 1 Capital Securities**" means (i) any security issued by the Issuer or (ii) any other similar instrument issued by any subsidiary of the Issuer that is guaranteed by the Issuer, that, in each case, constitutes Additional Tier 1 capital of the Issuer on an unconsolidated basis, pursuant to the relevant requirements set out in MAS Notice 637.

"**MAS**" means the Monetary Authority of Singapore or such other governmental authority having primary bank supervisory authority with respect to the Issuer.

"**MAS Notice 637**" means the MAS Notice 637 – "Notice on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore" issued by MAS, as amended, replaced or supplemented from time to time.

"**Offering Memorandum**" means the offering memorandum dated April 6, 2022 relating to, *inter alia*, the Notes (which term shall include those documents incorporated in it by reference from time to time as provided in it) as from time to time amended, supplemented or replaced (but not including any information or documents replaced or superseded by any information so subsequently included or incorporated).

"**Permitted Reorganization**" means a solvent reconstruction, amalgamation, reorganization, merger or consolidation whereby all or substantially all the business, undertaking and assets of the Issuer are transferred to a successor entity which assumes all the obligations of the Issuer under the Notes.

"**Senior Creditors**" means creditors of the Issuer (including the Issuer's depositors) other than those whose claims rank or are expressed to rank *pari passu* with or junior to the claims of the holders of the Subordinated Notes.

"**Tier 2 Capital Securities**" means (i) any security issued by the Issuer or (ii) any other similar instrument issued by any subsidiary of the Issuer that is guaranteed by the Issuer that, in each case, constitutes a Tier 2 capital instrument of the Issuer on an unconsolidated basis pursuant to the relevant requirements set out in MAS Notice 637.

(d) **Set-off and Payment Void**: No Noteholder of Subordinated Notes may exercise, claim or plead any right of set-off, counterclaim or retention in respect of any amount owed to it by the Issuer arising under or in connection with the Subordinated Notes. Each Noteholder shall, by acceptance of any Subordinated Note, be deemed to have waived all such rights of set-off, counterclaim or retention to the fullest extent permitted by law. If at any time any Noteholder receives payment or benefit of any sum in respect of the Subordinated Notes (including any benefit received pursuant to any such set-off, counter-claim or retention) other than in accordance with the provisions in the second paragraph of Condition 10(b)(ii) and Clause 8.2.2 of the Trust Deed, the payment of such sum or receipt of such benefit shall, to the fullest extent permitted by law, be deemed void for all purposes and such Noteholder, by acceptance of such

Subordinated Note, shall agree as a separate and independent obligation that any such sum or benefit so received shall forthwith be paid or returned in full by such Noteholder to the Issuer upon demand by the Issuer or, in the event of the winding-up of the Issuer, the liquidator of the Issuer, whether or not such payment or receipt shall have been deemed void under the Trust Deed. Any sum so paid or returned shall then be treated for the purposes of the Issuer's obligations as if it had not been paid by the Issuer, and its original payment shall be deemed not to have discharged any of the obligations of the Issuer under the Subordinated Notes.

4 Interest and other Calculations

(a) **Interest on Fixed Rate Notes**: If a Note is specified in the applicable Pricing Supplement as a Fixed Rate Note, it shall bear interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest (as defined in Condition 4(l)), such interest being payable in arrear on each Interest Payment Date specified in the applicable Pricing Supplement. The amount of interest payable shall be determined in accordance with Condition 4(g), Condition 4(h), Condition 4(i) and Condition 4(j).

(b) **Interest on Floating Rate Notes (for non-Singapore Dollar Notes) and Index Linked Interest Notes:**

(i) *Interest Payment Dates*: If a Note is specified in the applicable Pricing Supplement as being a Floating Rate Note or an Index Linked Note, it shall bear interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 4(g), Condition 4(h), Condition 4(i) and Condition 4(j). Such Interest Payment Date(s) is/are either shown in the applicable Pricing Supplement as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown in the applicable Pricing Supplement, Interest Payment Date shall mean each date which falls the number of months or other period shown in the applicable Pricing Supplement as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

In this Condition 4(b), Floating Rate Note shall refer to a Floating Rate Note which is denominated in a currency other than Singapore dollars.

(ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day (as defined in Condition 4(l)), then, if the Business Day Convention specified in the applicable Pricing Supplement is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) *Rate of Interest for Floating Rate Notes*: The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the applicable Pricing Supplement and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the applicable Pricing Supplement.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this Condition 4(b)(iii)(A), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(w) the Floating Rate Option is as specified in the applicable Pricing Supplement;

(x) the Designated Maturity is a period specified in the applicable Pricing Supplement;

(y) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the applicable Pricing Supplement; and

(z) if the Floating Rate Option is an Overnight Floating Rate Option:

(1) Compounding with Lookback is applicable if specified in the applicable Pricing Supplement;

(2) Compounding with Observation Period Shift is applicable if specified in the applicable Pricing Supplement and, if so, Set-in-Advance is applicable if specified as such in the applicable Pricing Supplement;

(3) Compounding with Lockout is applicable if specified in the applicable Pricing Supplement; or

(4) OIS Compounding is applicable if specified in the applicable Pricing Supplement; and

(5) in connection with the Overnight Rate Compounding Method, references in the ISDA Definitions to numbers, financial centers or other items specified in the Confirmation shall be deemed to be references to the numbers, financial centers or other items specified for such purpose in the applicable Pricing Supplement and references in the ISDA Definitions to "Calculation Period", "Floating Rate Day Count Fraction", "Period End Date", "Termination Date" and "Effective Date" shall be deemed to be references to the relevant Interest Accrual Period, the Day Count Fraction, the relevant Interest Period Date, the final Interest Period Date and the Interest Commencement Date respectively.

For the purposes of this Condition 4(b)(iii)(A), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**", "**Swap Transaction**", "**Compounding with Lookback**", "**Compounding with Observation Period Shift**", "**Compounding with Lockout**", "**OIS Compounding**", "**Overnight Rate Compounding Method**" and "**Confirmation**", have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes where the Reference Rate is not specified as being SONIA Benchmark, SOFR Benchmark or SORA Benchmark

(x) Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

(1) the offered quotation; or

(2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (Brussels time in the case of the Euro Interbank Offered Rate ("**EURIBOR**") or Hong Kong time in the case of the Hong Kong Interbank Offered Rate ("**HIBOR**")) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Pricing Supplement as being other than EURIBOR or HIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Pricing Supplement.

(y) If the Relevant Screen Page is not available or if, Condition 4(b)(iii)(B)(x)(1) applies and no such offered quotation appears on the Relevant Screen Page or if Condition 4(b)(iii)(B)(x)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Issuer shall request, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks or, if the Reference Rate is HIBOR, the principal Hong Kong office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the Interest Determination Date in question and such rate shall be notified to the Calculation Agent. If two or more of the Reference Banks provide the Issuer with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

(z) If Condition 4(b)(iii)(B)(y) applies and the Issuer determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Issuer by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Issuer with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 4(b)(iii)(B)(z), the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(C) Screen Rate Determination for Floating Rate Notes where the Reference Rate is specified as being SONIA Benchmark

For each Floating Rate Note where the Reference Rate is specified in the applicable Pricing Supplement as being SONIA Benchmark, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be equal to the relevant SONIA Benchmark plus or minus (as indicated in the applicable Pricing Supplement) the Margin.

The "**SONIA Benchmark**" will be determined based on Compounded Daily SONIA or SONIA Index, as follows (subject in each case to Condition 4(o)):

(x) If Compounded Daily SONIA is specified in the applicable Pricing Supplement, Compounded Daily SONIA shall be calculated by the Calculation Agent on the relevant Interest Determination Date in accordance with the formula referenced below:

"**Compounded Daily SONIA**" means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the SONIA Observation Period corresponding to such Interest Accrual Period (with the daily Sterling Overnight Index Average ("**SONIA**") rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_{i-xLBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" means the number of calendar days in:

(1) where "SONIA Observation Lag" is specified as the SONIA Observation Method in the applicable Pricing Supplement, the relevant Interest Accrual Period; or

(2) where "SONIA Observation Shift" is specified as the SONIA Observation Method in the applicable Pricing Supplement, the relevant SONIA Observation Period;

"$\mathbf{d_o}$" means:

(1) where "SONIA Observation Lag" is specified as the SONIA Observation Method in the applicable Pricing Supplement, the number of London Business Days in the relevant Interest Accrual Period; or

(2) where "SONIA Observation Shift" is specified as the SONIA Observation Method in the applicable Pricing Supplement, the number of London Business Days in the relevant SONIA Observation Period;

"**i**" means, for the relevant Interest Accrual Period, a series of whole numbers from one to d_o, each representing the relevant London Business Day in chronological order from (and including):

(1) where "SONIA Observation Lag" is specified as the SONIA Observation Method in the applicable Pricing Supplement, the first London Business Day in the relevant Interest Accrual Period to (and including) the last London Business Day in such Interest Accrual Period; or

(2) where "SONIA Observation Shift" is specified as the SONIA Observation Method in the applicable Pricing Supplement, the first London Business Day in the relevant SONIA Observation Period to (and including) the last London Business Day in such SONIA Observation Period;

"**London Business Day**" or "**LBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"**ni**", for any London Business Day "i", means the number of calendar days from and including such London Business Day "i" up to but excluding the following London Business Day;

"$\mathbf{SONIA_{i-xLBD}}$" means:

(1) where "SONIA Observation Lag" is specified as the SONIA Observation Method in the applicable Pricing Supplement, in respect of any London Business Day "$_i$", the SONIA Reference Rate for the London Business Day falling "*x*" London Business Days prior to such London Business Day "i"; or

(2) where "SONIA Observation Shift" is specified as the SONIA Observation Method in the applicable Pricing Supplement, in respect of any London Business Day "$_i$", the SONIA Reference Rate for that day;

"**SONIA Observation Period**" means, for the relevant Interest Accrual Period, the period from (and including) the date falling "*x*" London Business Days prior to the first day of such Interest Accrual Period (and the first Interest Accrual Period shall begin on and include the Interest Commencement Date) and ending on (but excluding) the date falling "*x*" London Business Days prior to the Interest Payment Date at the end of such Interest Accrual Period (or the date falling "*x*" London Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"**SONIA Reference Rate**" means, in respect of any London Business Day, a reference rate equal to the daily SONIA rate for such London Business Day as provided by the administrator of SONIA to authorized distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorized distributors (on the London Business Day immediately following such London Business Day); and

"***x***" means five London Business Days (or such other number of London Business Days in the SONIA Observation Lookback Days as specified in the applicable Pricing Supplement).

If, subject to Condition 4(o)(i), in respect of any London Business Day in the relevant SONIA Observation Period, the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) determines that the SONIA Reference Rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorized distributors, such SONIA reference rate shall be:

(i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at 5.00 p.m. (or, if earlier, close of business) on the relevant London Business Day; plus

(ii) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

Notwithstanding the paragraph above, and without prejudice to Condition 4(o)(i), in the event the Bank of England publishes guidance as to:

(aa) how the SONIA Reference Rate is to be determined; or

(bb) any rate that is to replace the SONIA Reference Rate,

the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest as specified in the applicable Pricing Supplement, and in consultation with the Issuer) shall, to the extent that it is reasonably practicable, follow such guidance in order to determine the SONIA rate for the purpose of the relevant Series of Notes for so long as the SONIA Reference Rate is not available or has not been published by the authorized distributors.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), subject to Condition 4(o)(i), the Rate of Interest shall be:

(i) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest (as specified in the applicable Pricing Supplement) relating to the relevant Interest Accrual Period in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period); or

(ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Accrual Period).

(y) If SONIA Index ("**SONIA Index**") is specified in the applicable Pricing Supplement as the relevant SONIA Benchmark, the SONIA Benchmark for each Interest Accrual Period shall be equal to the rate of return of a daily compound interest investment during the SONIA Observation Period corresponding to such Interest Accrual Period (with the daily SONIA rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left(\frac{SONIA\ Compounded\ Index_{END}}{SONIA\ Compounded\ Index_{START}} - 1\right) \times \left(\frac{365}{d}\right)$$

provided, however, that, subject to Condition 4(o)(i), if the SONIA Compounded Index Value is not available in relation to any Interest Accrual Period on the Relevant Screen Page for the determination of either SONIA Compounded $\text{Index}_{\text{START}}$ or SONIA Compounded $\text{Index}_{\text{END}}$, the Rate of Interest shall be calculated for such Interest Accrual Period on the basis of Compounded Daily SONIA and using the "SONIA Observation Shift" method (as set out in Condition 4(b)(iii)(C)(x)).

In the formula above:

"***d***" means the number of calendar days in the relevant SONIA Observation Period;

"**London Business Day**", means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"***p***" means, for any Interest Accrual Period, five London Business Days (or such other number of London Business Days as specified in the applicable Pricing Supplement);

"**SONIA Observation Period**" means, in respect of an Interest Accrual Period, the period from and including the date falling "p" London Business Days prior to the first day of such Interest Accrual Period (and the first Interest Accrual Period shall begin on and include the Interest Commencement Date) and ending on (but excluding) the date which is "p" London Business Days prior to the Interest Payment Date for such Interest Accrual Period (or the date falling "p" London Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"**SONIA Compounded Index**" means, in respect of an Interest Accrual Period, the index known as the SONIA Compounded Index administered by the Bank of England (or any successor administrator thereof);

"**SONIA Compounded Index$_{START}$**" means the SONIA Compounded Index Value on the date which is "p" London Business Days preceding the first day of such Interest Accrual Period (or in the first Interest Accrual Period, the Interest Commencement Date);

"**SONIA Compounded Index$_{END}$**" means, in respect of an Interest Accrual Period, the SONIA Compounded Index Value on the date which is "p" London Business Days preceding (i) the Interest Payment Date of such Interest Accrual Period, (ii) in the final Interest Accrual Period, the Maturity Date, or (iii) the date on which the relevant Series of Notes becomes due and payable; and

"**SONIA Compounded Index Value**" means, in relation to any London Business Day, the value of the SONIA Compounded Index as published by authorized distributors on the Relevant Screen Page on such London Business Day or, if the value of the SONIA Compounded Index cannot be obtained from such authorized distributors, as published on the Bank of England's Website at www.bankofengland.co.uk/boeapps/database/ (or such other page or website as may replace such page for the purposes of publishing the SONIA Compounded Index) on the next following London Business Day.

(z) If the relevant Series of Notes become due and payable in accordance with Condition 10, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such Notes became due and payable (with corresponding adjustments being deemed to be made to the Compounded Daily SONIA formula) and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

(D) Screen Rate Determination for Floating Rate Notes where the Reference Rate is specified as being SOFR Benchmark

Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined where the Reference Rate is SOFR Benchmark, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be equal to the relevant SOFR Benchmark plus or minus the Margin (if any) in accordance with Condition 4(h), all as determined by the Calculation Agent on the relevant Interest Determination Date.

The "**SOFR Benchmark**" will be determined based on Compounded Daily SOFR or SOFR Index, as follows (subject in each case to Condition 4(o)):

(x) If Compounded Daily SOFR ("**Compounded Daily SOFR**") is specified in the applicable Pricing Supplement as the manner in which the SOFR Benchmark will be determined, the SOFR Benchmark for each Interest Accrual Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant Interest Accrual Period (where "SOFR Observation Lag" or "SOFR Payment Delay" is

specified in the applicable Pricing Supplement to determine Compounded Daily SOFR) or the SOFR Observation Period (where "SOFR Observation Shift" is specified in the applicable Pricing Supplement to determine Compounded Daily SOFR).

Compounded Daily SOFR shall be calculated by the Calculation Agent in accordance with one of the formulas referenced below depending upon which is specified as applicable in the applicable Pricing Supplement:

(i) SOFR Observation Lag:

$$\left(\prod_{i=1}^{d_o}\left(1+\frac{SOFR_{i-x\,USBD}\times n_i}{360}\right)-1\right)\times\frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the fifth decimal place, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

"**$SOFR_{i\text{-}xUSBD}$**" for any U.S. Government Securities Business Day "i" in the relevant Interest Accrual Period, is equal to the SOFR reference rate for the U.S. Government Securities Business Day falling the number of Lookback Days prior to that U.S. Government Securities Business Day "i";

"**Lookback Days**" means five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement);

"**d**" means the number of calendar days in the relevant Interest Accrual Period;

"**d_o**" for any Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

"**i**" means a series of whole numbers ascending from one to d_o, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period; and

"**n_i**" for any U.S. Government Securities Business Day "i" in the relevant Interest Accrual Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day "i" up to (but excluding) the following U.S. Government Securities Business Day for which $SOFR_{i\text{-}xUSBD}$ applies.

(ii) SOFR Observation Shift:

$$\left(\prod_{i=1}^{d_o}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right)\times\frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the fifth decimal place, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

"**$SOFR_i$**" for any U.S. Government Securities Business Day "i" in the relevant SOFR Observation Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day "i";

"**SOFR Observation Period**" means, in respect of each Interest Accrual Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of the relevant Interest Accrual Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Interest Period Date for such Interest Accrual Period;

"**SOFR Observation Shift Days**" means five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement);

"**d**" means the number of calendar days in the relevant SOFR Observation Period;

"**d_o**" for any SOFR Observation Period, means the number of U.S. Government Securities Business Days in the relevant SOFR Observation Period;

"**i**" means a series of whole numbers ascending from one to d_o, representing each U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant SOFR Observation Period; and

"**n_i**" for any U.S. Government Securities Business Day "i" in the relevant SOFR Observation Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day "i" up to (but excluding) the following U.S. Government Securities Business Day for which $SOFR_i$ applies.

(iii) SOFR Payment Delay:

$$\left(\prod_{i=1}^{d_o}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right)\times\frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the fifth decimal point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

"**$SOFR_i$**" for any U.S. Government Securities Business Day "i" in the relevant Interest Accrual Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day "i";

"**Interest Payment Date**" shall be the number of Interest Payment Delay Days following each Interest Period Date; provided that (i) the Interest Payment Date with respect to the final Interest Accrual Period ending on the Maturity Date will be the Maturity Date, or (ii) if the Issuer elects to redeem the Notes prior to the Maturity Date, the Interest Payment Date will be the relevant Optional Redemption Date;

"**Interest Payment Delay Days**" means the number of Business Days as specified in the applicable Pricing Supplement;

"**d**" means the number of calendar days in the relevant Interest Accrual Period;

"**d_o**" for any Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

"$_i$" means a series of whole numbers ascending from one to d_o, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period; and

"**n_i**" for any U.S. Government Securities Business Day "i" in the relevant Interest Accrual Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day "i" up to (but excluding) the following U.S. Government Securities Business Day for which $SOFR_i$ applies.

For the purposes of calculating Compounded Daily SOFR with respect to any Interest Accrual Period ending on the Maturity Date or the relevant redemption date, as applicable, where SOFR Payment Delay is specified in the applicable Pricing Supplement, the SOFR reference rate for each U.S. Government Securities Business Day in the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the Maturity Date or the relevant Optional Redemption Date, as applicable, shall be the SOFR reference rate in respect of such SOFR Rate Cut-Off Date.

The following defined terms shall have the meanings set out below for purpose of this Condition 4(b)(iii)(D)(x):

"**Bloomberg Screen SOFRRATE Page**" means the Bloomberg screen designated "SOFRRATE" or any successor page or service;

"**Reuters Page USDSOFR=**" means the Reuters page designated "USDSOFR=" or any successor page or service;

"**SOFR**" means, with respect to any U.S. Government Securities Business Day, the reference rate determined by the Calculation Agent in accordance with the following provision:

(i) the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Bloomberg Screen SOFRRATE Page; the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Reuters Page USDSOFR=; or the Secured Overnight Financing Rate published at the SOFR Determination Time on the SOFR Administrator's Website; or

(ii) if the reference rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the SOFR reference rate shall be the reference rate published on the SOFR Administrator's Website for the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator's Website; or

(iii) in the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), subject to Condition 4(o), the Rate of Interest shall be:

(1) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest (as specified in the applicable Pricing Supplement) relating to the relevant Interest Accrual Period in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period); or

(2) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Accrual Period); or

(iv) if the reference rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 4(o) shall apply;

"**SOFR Rate Cut-Off Date**" means the date that is a number of U.S. Government Securities Business Days prior to the end of each Interest Accrual Period, the Maturity Date or the relevant Optional Redemption Date, as applicable, as specified in the applicable Pricing Supplement; and

"**SOFR Determination Time**" means approximately 3:00 p.m. (New York City time) on the immediately following U.S. Government Securities Business Day.

(y) If SOFR Index ("**SOFR Index**") is specified in the applicable Pricing Supplement, the SOFR Benchmark for each Interest Accrual Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant SOFR Observation Period as calculated by the Calculation Agent as follows:

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1\right) \times \left(\frac{360}{d_c}\right)$$

with the resulting percentage being rounded, if necessary, to the fifth decimal point, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

"**SOFR Index**" means, in respect of a U.S. Government Securities Business Day, the SOFR Index value as published on the SOFR Administrator's Website at the SOFR Index Determination Time on such U.S. Government Securities Business Day, *provided that*:

(i) if the value specified above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the "SOFR Index" shall be calculated on any Interest Determination Date with respect to an Interest Accrual Period, in accordance with the Compounded Daily SOFR formula described above in Condition 4(b)(iii)(D)(x)(ii) "SOFR Observation Shift"; or

(ii) if the value specified above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 4(o) shall apply;

"**SOFR Index$_{End}$**" means, in respect of an Interest Accrual Period, the SOFR Index value on the date that is five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days specified in the applicable Pricing Supplement) prior to the Interest Period Date for such Interest Accrual Period (or in the final Interest Accrual Period, the Maturity Date);

"**SOFR Index$_{Start}$**" means, in respect of an Interest Accrual Period, the SOFR Index value on the date that is five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days specified in the applicable Pricing Supplement) prior to the first day of such Interest Accrual Period;

"**SOFR Index Determination Time**" means, in relation to any U.S. Government Securities Business Day, approximately 3:00 p.m. (New York City time) on such U.S. Government Securities Business Day;

"**SOFR Observation Period**" means, in respect of an Interest Accrual Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of such Interest Accrual Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Interest Period Date for such Interest Accrual Period;

"**SOFR Observation Shift Days**" means five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement); and

"**d_c**" means the number of calendar days in the applicable SOFR Observation Period.

The following defined terms shall have the meanings set out below for purpose of this Condition 4(b)(iii)(D):

"**SOFR Administrator's Website**" means the website of the Federal Reserve Bank of New York, or any successor source;

"**SOFR Benchmark Replacement Date**" means the date of occurrence of a Benchmark Event with respect to the then-current SOFR Benchmark;

"**SOFR Benchmark Transition Event**" means the occurrence of a Benchmark Event with respect to the then-current SOFR Benchmark; and

"**U.S. Government Securities Business Day**" means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

If the relevant Series of Notes become due and payable in accordance with Condition 10, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

(iv) *Rate of Interest for Index Linked Interest Notes*: The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified in the applicable Pricing Supplement and interest will accrue by reference to an Index or Formula as specified in the applicable Pricing Supplement.

(c) **Zero Coupon Notes**: Where a Note the Interest Basis of which is specified in the applicable Pricing Supplement to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note specified in the applicable Pricing Supplement. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortization Yield (as described in Condition 5(b)(i)(B)).

(d) **Credit Linked Notes, Equity Linked Notes and Bond Linked Notes**: In the case of Notes which are specified in the applicable Pricing Supplement as being Credit Linked Notes, Equity Linked Notes or Bond Linked Notes, the rate or amount of interest payable shall be determined in the manner specified in the applicable Pricing Supplement.

(e) **Dual Currency Notes**: In the case of Notes which are specified in the applicable Pricing Supplement as being Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified in the applicable Pricing Supplement.

(f) **Partly-Paid Notes**: In the case of Notes which are specified in the applicable Pricing Supplement as being Partly-Paid Notes (other than Partly-Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Pricing Supplement.

(g) **Accrual of Interest**: Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 4 to the Relevant Date (as defined in Condition 8).

(h) **Margin, Maximum/Minimum Rates of Interest, Installment Amounts and Redemption Amounts and Rounding:**

(i) If any Margin is specified in the applicable Pricing Supplement (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 4(b) by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject always to Condition 4(h)(ii).

(ii) If any Maximum or Minimum Rate of Interest, Installment Amount or Redemption Amount is specified in the applicable Pricing Supplement, then any Rate of Interest, Installment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the fifth decimal place (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "**unit**" means the lowest amount of such currency that is available as legal tender in the country or countries of such currency.

(i) **Calculations**: The amount of interest payable per calculation amount specified in the applicable Pricing Supplement (or, if no such amount is so specified, the Specified Denomination) (the "**Calculation Amount**") in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified in the applicable Pricing Supplement, and the Day Count Fraction specified in the applicable Pricing Supplement for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

The amount payable in respect of the aggregate nominal amount of Notes represented by a Global Certificate or Global Note (as the case may be) shall be made in accordance with the methods of calculation provided for in these Conditions, ***save that*** *the calculation is made in respect of the total aggregate amount of the Notes represented by a Global Certificate or a Global Note (as the case may be), together with such other sums and additional amounts (if any) as may be payable under these Conditions.*

(j) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Installment Amounts**: The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Installment Amount specified in the applicable Pricing Supplement, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for the relevant Interest Accrual Period and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Installment Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, the Issuer shall cause the calculations to be notified to such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such

exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 4(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 4(j) but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(k) **Determination or Calculation by an agent of the Issuer**: In the case of Notes other than AMTNs, if the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest Accrual Period or any Interest Amount, Installment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, the Issuer shall appoint an agent on its behalf to do so and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, such agent shall apply the foregoing provisions of this Condition 4, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as, in its absolute discretion, it shall deem fair and reasonable in all the circumstances. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by such agent pursuant to this Condition 4(k) shall (in the absence of manifest error) be final and binding upon all parties.

(l) **Definitions**: In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Business Day**" means:

(i) if the Specified Currency is not Singapore dollars, Euro or Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial center for such currency; and/or

(ii) if the Specified Currency is Euro, a day on which the TARGET System is operating (a "**TARGET Business Day**"); and/or

(iii) if the Specified Currency is Renminbi:

(A) and the Notes are cleared through CMU, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong;

(B) and the Notes are cleared through CDP, a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Singapore and Hong Kong; and

(C) the Notes are cleared through Euroclear and Clearstream, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in London;

(iv) if the Specified Currency is Singapore dollars:

(A) and the Notes are cleared through CDP, a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore; and

(B) the Notes are cleared through Euroclear and Clearstream, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in London; and/or

(v) in the case of a Specified Currency and/or one or more Business Centers specified in the applicable Pricing Supplement a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such Specified Currency in the Business Center(s) or, if no Specified Currency is indicated, generally in each of the Business Centers.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the "**Calculation Period**"):

(i) if "**Actual/Actual**" or "**Actual/Actual – ISDA**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "**Actual/365 (Fixed)**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365;

(iii) if "**Actual/360**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 360;

(iv) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\textit{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(v) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\textit{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30;

(vi) if "**30E/360 (ISDA)**" is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\textit{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30;

(vii) if "**Actual/Actual – ICMA**" is specified in the applicable Pricing Supplement:

(A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

"**Determination Date**" means the date(s) specified as such in the applicable Pricing Supplement or, if none is so specified, the Interest Payment Date(s); and

"**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

(viii) if "**RBA Bond Basis**" is specified in the applicable Pricing Supplement, means one divided by the number of Interest Payment Dates in a year (or where the Calculation Period does not constitute an Interest Period, the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of:

(A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and

(B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)).

"**Euro**" means the currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.

"**Euro-zone**" means the region comprising member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.

"**Hong Kong dollars**" means the lawful currency of Hong Kong.

"**Interest Accrual Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

"**Interest Amount**" means:

(i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified in the applicable Pricing Supplement, shall mean the Fixed Coupon Amount or Broken Amount specified in the applicable Pricing Supplement as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and

(ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified in the applicable Pricing Supplement.

"**Interest Determination Date**" means, in respect of a Rate of Interest and Interest Accrual Period, the date specified as such in the applicable Pricing Supplement or, if none is so specified:

(i) the first day of such Interest Accrual Period if the Specified Currency is Sterling (and in such case only if the relevant Reference Rate is not SONIA Benchmark), Hong Kong dollars or Renminbi;

(ii) the day falling two Business Days in the relevant Financial Center for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro nor Hong Kong dollars nor Renminbi and if the relevant Reference Rate is not SONIA Benchmark, SOFR Benchmark or SORA Benchmark;

(iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro;

(iv) (where SONIA Benchmark is specified in the applicable Pricing Supplement as the Reference Rate) the fifth London Business Day (or as otherwise specified in the applicable Pricing Supplement) prior to the last day of each Interest Accrual Period;

(v) (where SOFR Benchmark is specified in the applicable Pricing Supplement as the Reference Rate and where SOFR Observation Lag or SOFR Observation Shift is specified as applicable in the applicable Pricing Supplement to determine Compounded Daily SOFR or where SOFR Index is specified as applicable in the applicable Pricing Supplement) the fifth U.S. Government Securities Business Day (or as otherwise specified in the applicable Pricing Supplement) prior to the last day of each Interest Accrual Period;

(vi) (where SOFR Benchmark is specified in the applicable Pricing Supplement as the Reference Rate and where SOFR Payment Delay is specified as applicable in the applicable Pricing Supplement to determine Compounded Daily SOFR) the Interest Period Date at the end of each Interest Accrual Period, *provided* that the Interest Determination Date with respect to the final Interest Accrual Period will be the U.S. Government Securities Business Day immediately following the relevant SOFR Rate Cut-Off Date; and

(vii) (where SORA Benchmark is specified in the applicable Pricing Supplement as the Reference Rate) the meaning given to it in Conditions 4(n)(ii)(B)(z)(1), 4(n)(ii)(B)(z)(2) or 4(n)(ii)(B)(z)(3), as applicable.

"**Interest Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

"**Interest Period Date**" means each Interest Payment Date unless otherwise specified in the applicable Pricing Supplement.

"**ISDA Definitions**" means the latest version of the 2021 ISDA Interest Rate Derivatives Definitions, as published by the International Swaps and Derivatives Association, Inc. and in respect of the Notes as at the Issue Date for the first Tranche of the Notes, unless otherwise specified in the applicable Pricing Supplement.

"**Rate of Interest**" means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions in the applicable Pricing Supplement.

"**Reference Banks**" means (i) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market and (ii) in the case of a determination of HIBOR, the principal Hong Kong office of four major banks in the Hong Kong inter-bank market, in each case selected by the Issuer or as specified in the applicable Pricing Supplement.

"**Reference Rate**" means the rate specified as such in the applicable Pricing Supplement. "Relevant Screen Page" means such page, section, caption, column or other part of a particular information service as may be specified in the applicable Pricing Supplement or such other page, section, caption, column or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

"**Relevant Time**" means, with respect to any Interest Determination Date, the local time in the relevant Financial Center specified in the applicable Pricing Supplement or, if none is specified, the local time in the relevant financial center at which it is customary to determine bid and offered rates in respect of deposits in the relevant currency in the inter-bank market in the relevant financial center or, if no such customary local time exists, 11:00 a.m. in the relevant financial center and, for the purpose of this definition "local time" means, with respect to the Euro-zone as a relevant financial center, Central European Time.

"**Renminbi**" and "**CNY**" means the lawful currency of the PRC (as defined herein).

"**Specified Currency**" means the currency specified as such in the applicable Pricing Supplement or, if none is specified, the currency in which the Notes are denominated.

"**Sterling**" means pound sterling, the lawful currency of the United Kingdom.

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on November 19, 2007 or any successor thereto.

"**Yen**" means the lawful currency of Japan.

(m) **Calculation Agent**: The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the applicable Pricing Supplement and for so long as any Note is outstanding (as defined, in the case of Notes other than AMTNs, in the Trust Deed and, in the case of AMTNs, in the Note (AMTN) Deed Poll). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under these Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Installment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(n) **Interest on Floating Rate Notes or Variable Rate Notes (for Singapore Dollar Notes)**: Unless otherwise specified in the applicable Pricing Supplement, the following provisions will apply to Singapore Dollar Notes which are specified in the applicable Pricing Supplement as being either Floating Rate Notes or Variable Rate Notes. Terms used in this Condition 4(n) are defined in Condition 4(n)(vii).

(i) *Interest Payment Dates*: Each Floating Rate Note or Variable Rate Note bears interest on its Calculation Amount from and including the Interest Commencement Date in respect thereof and as shown on the face of such Note, and such interest will be payable in arrear on each date ("**Interest Payment Date**") which (save as mentioned in this Condition 4(n)) falls the number of months specified as the Interest Period on the face of the Note (the "**Specified Number of Months**") after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date (and which corresponds numerically with such preceding Interest Payment Date or Interest Commencement Date, as the case may be), provided that the Agreed Yield (as defined in Condition 4(n)(iii) in respect of any Variable Rate Note for any Interest Period (as defined below) relating to that Variable Rate Note shall be payable on the first day of that Interest Period. If any Interest Payment Date would otherwise fall on a day which is not a business day (as defined below), it shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month. In any such case as aforesaid or if there is no date in the relevant month which corresponds numerically with the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date (a) the Interest Payment Date shall be brought forward to the immediately preceding business day and (b) each subsequent Interest Payment Date shall be the last business day of the month which is the last of the Specified Number of Months after the month in which the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall have fallen.

The period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is herein called an "Interest Period" and "**business day**" in this Condition 4(n) means a day (other than Saturday or Sunday) on which commercial banks are open for business in Singapore.

Interest will cease to accrue on each Floating Rate Note or Variable Rate Note from the due date for redemption thereof unless, upon due presentation thereof, payment of principal (or the Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(n) and the Agency Agreement to the Relevant Date.

(ii) *Rate of Interest-Floating Rate Notes*:

(A) Each Floating Rate Note bears interest at a floating rate determined by reference to a benchmark as stated on the face of such Floating Rate Note and the applicable Pricing Supplement, being the Singapore Overnight Rate Average ("**SORA**") Benchmark (in which case such Note will be a SORA Note) or in any case such other benchmark as is set out on the face of such Note.

Such floating rate may be adjusted by adding or subtracting the Margin (if any) stated on the face of such Note. The "Margin" is the percentage rate per annum specified on the face of such Note as being applicable to the rate of interest for such Note. The rate of interest so calculated shall be subject to Condition 4(n)(iv).

(B) The rate of interest payable in respect of a Floating Rate Note from time to time is referred to in this Condition 4(n) as the "**Rate of Interest**". The Rate of Interest payable from time to time in respect of each Floating Rate Note under this Condition 4(n) will be determined by the Calculation Agent on the basis of the following provisions:

(z) in the case of Floating Rate Notes which are specified in the applicable Pricing Supplement as being SORA Notes, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be equal to the relevant SORA Benchmark (as defined below) plus or minus the Margin.

The "**SORA Benchmark**" will be determined based on Compounded Daily SORA or SORA Index Average, as follows (subject in each case to Condition 4(o)(iii):

If Compounded Daily SORA ("**Compounded Daily SORA**") is specified in the applicable Pricing Supplement, the SORA Benchmark for each Interest Accrual Period shall be equal to the value of the SORA rates for each day during the relevant Interest Accrual Period (where Lookback is specified in the applicable Pricing Supplement to determine Compounded Daily SORA) or Observation Period (where Backward Shifted Observation Period is specified in the applicable Pricing Supplement to determine Compounded Daily SORA).

Compounded Daily SORA shall be calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the relevant Interest Determination Date in accordance with one of the formulas referenced below depending upon which is specified in the applicable Pricing Supplement:

(1) where Lookback is specified in the applicable Pricing Supplement:

"**Compounded Daily SORA**" means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the reference rate for the calculation

of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the fourth decimal place (0.0001%), with 0.00005% being rounded upwards.

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_{i-xSBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Interest Accrual Period;

"**d_o**", for any Interest Accrual Period, is the number of Singapore Business Days in the relevant Interest Accrual Period;

"**i** ", for the relevant Interest Accrual Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Accrual Period to the last Singapore Business Day in such Interest Accrual Period;

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date falling one Singapore Business Day after the end of each Observation Period;

"**ni**", for any day "i", is the number of calendar days from and including such day "i" up to but excluding the following Singapore Business Day;

"**Singapore Business Days**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**Observation Period**" means, for the relevant Interest Accrual Period, the period from, and including, the date falling five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the first day of such Interest Accrual Period (and the first Interest Accrual Period shall begin on and include the Interest Commencement Date) and to, but excluding, the date falling five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the Interest Payment Date at the end of such Interest Accrual Period (or the date falling five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to such earlier date, if any, on which the Notes become due and payable);

"**SORA**" means, in respect of any Singapore Business Day "i", a reference rate equal to the daily Singapore Overnight Rate Average provided by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at

http://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorized distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such day "i"; and

"**SORAi – x SBD**", in respect of any Singapore Business Day falling in the relevant Observation Period, the reference rate equal to SORA in respect of the Singapore Business Day falling five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the relevant Singapore Business Day "i".

(2) where Backward Shifted Observation Period is specified in the applicable Pricing Supplement:

"**Compounded Daily SORA**" means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the fourth decimal place (0.0001%), with 0.00005% being rounded upwards.

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Observation Period;

"**d_o**", for any Interest Accrual Period, is the number of Singapore Business Days in the relevant Observation Period;

"**i**", for the relevant Interest Accrual Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Observation Period to the last Singapore Business Day in such Observation Period;

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date falling one Singapore Business Day after the end of each Observation Period;

"**ni**", for any day "i", is the number of calendar days from and including such day "i" up to but excluding the following Singapore Business Day;

"**Singapore Business Days**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**Observation Period**" means, for the relevant Interest Accrual Period, the period from, and including, the date falling five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the first day of such Interest Accrual Period (and the first Interest Accrual Period shall begin on and include the Interest Commencement Date) and to, but excluding, the date falling five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the Interest Payment Date at the end of such Interest Accrual Period (or the date falling five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to such earlier date, if any, on which the Notes become due and payable);

"**SORA**" means, in respect of any Singapore Business Day "i", a reference rate equal to the daily Singapore Overnight Rate Average provided by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at http://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorized distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such day "i"; and

"**SORAi**" means, in respect of any Singapore Business Day falling in the relevant Observation Period, the reference rate equal to SORA in respect of that Singapore Business Day.

For the avoidance of doubt, the formula for the calculation of Compounded Daily SORA only compounds SORA in respect of any Singapore Business Day. SORA applied to a day that is not a Singapore Business Day will be taken by applying SORA for the previous Singapore Business Day but without compounding.

(3) For each Floating Rate Note where the Reference Rate is specified as being SORA Index Average ("**SORA Index Average**"), the SORA Benchmark for each Interest Accrual Period shall be equal to the value of the SORA rates for each day during the relevant Interest Accrual Period as calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the relevant Interest Determination Date as follows:

$$\left(\frac{SORA\ Index_{End}}{SORA\ Index_{Start}} - 1\right) \times \left(\frac{360}{d_c}\right)$$

and the resulting percentage being rounded if necessary to the fourth decimal place (0.0001%), with 0.00005% being rounded upwards, where:

"$\mathbf{d_c}$" means the number of calendar days from (and including) the SORA $\text{Index}_{\text{Start}}$ to (but excluding) the SORA $\text{Index}_{\text{End}}$;

"**Singapore Business Days**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA Index**" means, in relation to any Singapore Business Day, the SORA Index as published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at http://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorized distributors) at the SORA Index Determination Time, *provided that* if the SORA Index does not so appear at the SORA Index Determination Time, then:

(i) if a SORA Index Cessation Event has not occurred, the "SORA Index Average" shall be calculated on any Interest Determination Date with respect to an Interest Accrual Period, in accordance with the Compounded Daily SORA formula described above in Condition 4(n)(ii)(B)(z)(2), and the Observation Period shall be calculated with reference to the number of Singapore Business Days preceding the first date of the relevant Interest Accrual Period that is used in the definition of SORA $\text{Index}_{\text{Start}}$ as specified in the applicable Pricing Supplement; or

(ii) if a SORA Index Cessation Event has occurred, the provisions set forth in Condition 4(o)(iii) shall apply;

"**SORA $\text{Index}_{\text{End}}$**" means the SORA Index value on the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the last date of the relevant Interest Accrual Period;

"**SORA $\text{Index}_{\text{Start}}$**" means the SORA Index value on the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the first date of the relevant Interest Accrual Period; and

"**SORA Index Determination Time**" means, in relation to any Singapore Business Day, approximately 3:00 p.m. (Singapore time) on such Singapore Business Day.

(4) If, subject to Condition 4(o), by 5:00 p.m., Singapore time, on the Singapore Business Day immediately following such day "i", SORA in respect of such day "i" has not been published and a SORA Index Cessation Event has not occurred, then SORA for that day "i" will be SORA as published in respect of the first preceding Singapore Business Day for which SORA was published.

(5) In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), subject to Condition 4(o), the Rate of Interest shall be:

(A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest (as specified in the applicable Pricing Supplement) relating to the relevant Interest Accrual Period in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period); or

(B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Accrual Period).

If the relevant Series of Notes become due and payable in accordance with Condition 10, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such Notes became due and payable (with corresponding adjustments being deemed to be made to the applicable SORA Benchmark formula) and the Rate of Interest on such Notes shall, for so long as any such Note remains outstanding, be that determined on such date.

(C) On the last day of each Interest Period, the Issuer will pay interest on each Floating Rate Note to which such Interest Period relates at the Rate of Interest for such Interest Period.

(iii) *Agreed Yield – Variable Rate Notes*

(A) Each Variable Rate Note bears interest at a variable rate determined in accordance with the provisions of this Condition 4(n)(iii). The interest payable in respect of a Variable Rate Note for each Interest Period relating to that Variable Rate Note, which shall be payable on the first day of such Interest Period, is referred to in this Condition 4(n)(iii) as the "**Agreed Yield**".

(B) The Agreed Yield payable from time to time in respect of each Variable Rate Note for each Interest Period relating to such Variable Rate Note shall be determined as follows:

(x) not earlier than 9.00 a.m. (Singapore time) on the ninth business day nor later than 3.00 p.m. (Singapore time) on the fifth business day prior to the commencement of each Interest Period, the Issuer and the Relevant Dealer (as defined below) shall endeavor to agree on an Agreed Yield in respect of such Variable Rate Note for such Interest Period; and

(y) if the Issuer and the Relevant Dealer shall not have agreed an Agreed Yield in respect of such Variable Rate Note for such Interest Period by 3.00 p.m. (Singapore time) on the fifth business day prior to the commencement of such Interest Period, or if there shall be no Relevant Dealer during the period for agreement referred to in Condition 4(n)(iii)(B)(x), the Agreed Yield for such Variable Rate Note for such Interest Period shall be zero.

(C) The Issuer has undertaken to the Issuing and Paying Agent and the Calculation Agent that it will as soon as possible after the Agreed Yield in respect of any Variable Rate Note is determined but not later than 10.30 a.m. (Singapore time) on the next following business day:

(x) notify the Issuing and Paying Agent and the Calculation Agent in writing of the Agreed Yield for such Variable Rate Note for such Interest Period; and

(y) cause such Agreed Yield for such Variable Rate Note to be notified by the Issuing and Paying Agent to the relevant Noteholder at its request.

(D) The Issuer will pay the Agreed Yield applicable to each Variable Rate Note for each Interest Period relating to such Variable Rate Note on the first day of such Interest Period.

(iv) *Determination of Rate of Interest and Calculation of Interest Amounts*

The Calculation Agent will, at the Relevant Time on each Interest Determination Date, determine the Rate of Interest and calculate the amount of interest payable (the "**Interest Amounts**") in respect of each denomination of the relevant Floating Rate Notes for the relevant Interest Period. The Interest Amounts shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying such product by the actual number of days in the Interest Period concerned, divided by the FRN Day Basis shown on the face of such Note and rounding the resultant figure to the nearest cent. The determination of the Rate of Interest and the Interest Amounts by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(v) *Duration of Rate of Interest and Interest Amounts*

The Calculation Agent will cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Issuing and Paying Agent, the Issuer and each of the Paying Agents and to be notified to Noteholders and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, the Issuer shall cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange or other relevant authority, or (ii) in all other cases the fourth Relevant Business Day thereafter. The Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

(vi) *Calculation Agent and Reference Banks*

The Issuer will procure that, so long as any relevant Floating Rate Note remains outstanding, there shall at all times be three Reference Banks and a Calculation Agent. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for any Interest Period or to calculate the Interest Amounts or the Redemption Amount, the Issuer will appoint the Singapore office of a leading bank or merchant bank engaged in the Singapore inter-bank market to act as such in its place and will notify such change(s) to the Noteholders. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(vii) *Definitions*

As used in this Condition 4(n):

"**Calculation Agent**" means the calculation agent designated for the relevant Notes;

"**Calculation Amount**" means the amount specified as such on the face of any Note, or if no such amount is so specified, the Denomination Amount of such Note as shown on the face thereof;

"**Interest Commencement Date**" means, in the case of the first issue of a Note or Notes of a Series, the Issue Date or such other date as may be specified as the Interest Commencement on the face of such Note and, in the case of a further issue of a Note or Notes of such Series, means the most recent Reference Date or, as the case may be, Interest Payment Date in relation to such first issue next preceding the date on which such further Note or Notes are issued or if there is no such date, the Interest Commencement Date in respect of such first issue;

"**Reference Banks**" means the principal Singapore office of three major banks in the Singapore Inter-bank market, selected by the Issuer or as specified in the applicable Pricing Supplement;

"**Relevant Dealer**" means, in respect of any Variable Rate Note, the Dealer (if any) party to the Program Agreement referred to in the Agency Agreement with whom the Issuer has concluded an agreement for the issue of such Variable Rate Note pursuant to the Program Agreement; and

"**Relevant Time**" means 11.00 a.m. (Singapore time).

(o) **Benchmark Discontinuation**

(i) **Benchmark Discontinuation (General)**

Where the Pricing Supplement specifies this Condition 4(o)(i) as applicable:

(A) Independent Adviser

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer shall use its reasonable endeavors to appoint an Independent Adviser, as soon as

reasonably practicable, to determine a Successor Rate, or failing which, an Alternative Rate (in accordance with Condition 4(o)(i)(B)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 4(o)(i)(D)).

In making such determination, the Independent Adviser appointed pursuant to this Condition 4(o)(i) shall act in good faith as an expert and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, the Paying Agents or the Noteholders for any determination made by it, pursuant to this Condition 4(o)(i).

If:

(i) the Issuer is unable to appoint an Independent Adviser; or

(ii) the Independent Adviser fails to determine a Successor Rate or, failing which, an Alternative Rate,

in accordance with this Condition 4(o)(i)(A) prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Accrual Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Accrual Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Accrual Period only and any subsequent Interest Accrual Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 4(o)(i)(A).

(B) Successor Rate or Alternative Rate

If the Independent Adviser determines that:

(i) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 4(o)(i)); or

(ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 4(o)(i)).

(C) Adjustment Spread

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser (in consultation with the Issuer) is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread.

(D) Benchmark Amendments

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 4(o)(i) and the Independent Adviser (in consultation with the Issuer) determines:

(i) that amendments to these Conditions and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the "**Benchmark Amendments**"); and

(ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(o)(i)(E), without any requirement for the consent or approval of Noteholders, the Trustee or the Agents, vary these Conditions and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two authorized signatories of the Issuer pursuant to Condition 4(o)(i)(E), the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed), provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

For the avoidance of doubt, the Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 4(o)(i)(D). Noteholders' consent shall not be required in connection with the effecting of the Successor Rate or the Alternative Rate (as applicable) or such other changes, including the execution of any documents or any steps by the Trustee or the Issuing and Paying Agent (if required). Further, none of the Trustee, the Calculation Agent, the Paying Agents, the Registrars or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Adviser with respect to any Successor Rate or Alternative Rate (as applicable) or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

In connection with any such variation in accordance with this Condition 4(o)(i)(D), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(E) Notices

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(o)(i) will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 16, the Noteholders or the Couponholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Noteholders of the same, the Issuer shall deliver to the Trustee a certificate signed by two authorized signatories of the Issuer:

(x) confirming

(i) that a Benchmark Event has occurred;

(ii) the Successor Rate or, as the case may be, the Alternative Rate;

(iii) the applicable, Adjustment Spread; and

(iv) the specific terms of the Benchmark Amendments (if any),

in each case as determined in accordance with the provisions of this Condition 4(o)(i); and

(y) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate, Alternative Rate, the Adjustment Spread or the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate, Alternative Rate, the Adjustment Spread or the Benchmark Amendments (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents, the Noteholders and Couponholders.

(F) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Condition 4(o)(i)(A), 4(o)(i)(B), 4(o)(i)(C) and 4(o)(i)(D), the Original Reference Rate and the fallback provisions provided for in Condition 4(b)(iii)(B) or (C), as applicable, will continue to apply unless and until a Benchmark Event has occurred.

(G) Definitions:

As used in this Condition 4(o)(i):

"**Adjustment Spread**" means either:

(i) a spread (which may be positive, negative or zero); or

(ii) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(x) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);

(y) the Independent Adviser determines as being customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Independent Adviser determines that no such spread is customarily applied);

(z) the Independent Adviser (in consultation with the Issuer) determines, and which is recognized or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 4(o)(i)(B) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes.

"**Benchmark Amendments**" has the meaning given to it in Condition 4(o)(i)(D).

"**Benchmark Event**" means:

(i) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or

(ii) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and such cessation is reasonably expected by the Issuer to occur prior to the Maturity Date; or

(iii) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will be permanently or indefinitely discontinued and such discontinuation is reasonably expected by the Issuer to occur prior to the Maturity Date; or

(iv) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes and such prohibition is reasonably expected by the Issuer to occur prior to the Maturity Date; or

(v) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or

(vi) it has become unlawful for any Paying Agent, Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate,

provided that the Benchmark Event shall be deemed to occur (a) in the case of sub-paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of subparagraph (iv) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of sub-paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

The occurrence of a Benchmark Event shall be determined by the Issuer and promptly notified to the Trustee, the Calculation Agent and the Paying Agents. For the avoidance of doubt, neither the Trustee, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination.

"**Independent Adviser**" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by and at the expense of the Issuer under Condition 4(o)(i)(A).

"**Original Reference Rate**" means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes.

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

(i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of

    (w) the central bank for the currency to which the benchmark or screen rate (as applicable) relates;

(x) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable);

(y) a group of the aforementioned central banks or other supervisory authorities; or

(z) the Financial Stability Board or any part thereof.

"**Successor Rate**" means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

Where the Original Reference Rate for a Series of Notes is EURIBOR, the Successor Rate could include the rate (inclusive of any spreads or adjustments) formally recommended by (i) the working group on euro risk free rates established by the European Central Bank, the Financial Services and Markets Authority, the European Securities and Markets Authority and the European Commission, (ii) the European Money Market Institute, as the administrator of EURIBOR, (iii) the competent authority responsible under Regulation (EU) 2016/1011 for supervising the European Money Market Institute, as the administrator of the EURIBOR, or (iv) the national competent authority designated by each Member State under Regulation (EU) 2016/1011, or (v) the European Central Bank.

(ii) **Benchmark Discontinuation (SOFR)**

This Condition 4(o)(ii) shall only apply to U.S. dollar-denominated Notes where so specified in the applicable Pricing Supplement.

The following provisions shall apply if Benchmark Discontinuation (SOFR) is specified as applicable in the applicable Pricing Supplement:

(A) Benchmark Replacement

If the Issuer or its designee determines on or prior to the relevant Reference Time that a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to the-then current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates.

(B) Benchmark Replacement Conforming Changes

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time. For the avoidance of doubt, the Trustee and any of the Agents shall, at the direction and expense of the Issuer, but subject to receipt by the Trustee of a certificate signed by two authorized signatories of the Issuer confirming that a Benchmark Event has occurred, without any requirement for the consent or approval of the Noteholders, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required to give effect to this Condition 4(o)(ii)(B) and none of the Trustee or the Agents shall be liable to any party for any consequences thereof, provided that the Trustee and the

Agents shall not be obliged to effect any such amendments, if, in the opinion of the Trustee or the Agents, doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the rights and/or protective provisions afforded to it in these Conditions and/or the Trust Deed and/or the Agency Agreement and/or any documents to which it is a party (including for the avoidance of doubt, any supplemental trust deed or supplemental agency agreement) in any way. Noteholders' consent shall not be required in connection with effecting any such changes, including the execution of any documents or any steps to be taken by the Trustee or any of the Agents (if required). Further, none of the Trustee, the Calculation Agent, the Paying Agents, the Registrars or the Transfer Agents shall be responsible or liable for any determinations, decisions or elections made by the Issuer or its designee with respect to any Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

(C) Decisions and Determinations

Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 4(o)(ii), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection (i) will be conclusive and binding absent manifest error, (ii) will be made in the sole discretion of the Issuer or its designee, as applicable, and (iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

(D) Definitions

The following defined terms shall have the meanings set out below for purpose of this Condition 4(o)(ii):

"**Benchmark**" means, initially, the relevant SOFR Benchmark specified in the applicable Pricing Supplement; provided that if the Issuer or its designee determines on or prior to the Reference Time that a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to the relevant SOFR Benchmark (including any daily published component used in the calculation thereof) or the then-current Benchmark, then "**Benchmark**" means the applicable Benchmark Replacement;

"**Benchmark Event**" means the occurrence of one or more of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

(i) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

(ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

(iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

"**Benchmark Replacement**" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

(i) the sum of:

(a) the alternate reference rate that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof); and

(b) the Benchmark Replacement Adjustment;

(ii) the sum of:

(a) the ISDA Fallback Rate; and

(b) the Benchmark Replacement Adjustment; or

(iii) the sum of:

(c) the alternate reference rate that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) giving due consideration to any industry-accepted reference rate as a replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) for U.S. dollar-denominated Floating Rate Notes at such time; and

(d) the Benchmark Replacement Adjustment;

"**Benchmark Replacement Adjustment**" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

(i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or

(iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark (including any daily published component used in the calculation thereof) with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated Floating Rate Notes at such time;

"**Benchmark Replacement Conforming Changes**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determine that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary);

"**Benchmark Replacement Date**" means the earliest to occur of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

(i) in the case of sub-paragraph (i) or (ii) of the definition of "Benchmark Event", the later of:

    (a) the date of the public statement or publication of information referenced therein; and

    (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or

(ii) in the case of sub-paragraph (iii) of the definition of "Benchmark Event", the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

"**designee**" means a designee as selected and separately appointed by the Issuer in writing;

"**ISDA Fallback Adjustment**" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark (including any daily published component used in the calculation thereof) for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

"**Reference Time**" with respect to any determination of the Benchmark means (1) if the Benchmark is the SOFR Benchmark, the SOFR Determination Time (where Compounded Daily SOFR is specified as applicable in the applicable Pricing Supplement) or SOFR Index Determination Time (where SOFR Index is specified as applicable in the applicable Pricing Supplement), or (2) if the Benchmark is not the SOFR Benchmark, the time determined by the Issuer or its designee after giving effect to the Benchmark Replacement Conforming Changes;

"**Relevant Governmental Body**" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

"**Unadjusted Benchmark Replacement**" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(iii) **Benchmark Discontinuation (SORA)**

This Condition 4(o)(iii) shall only apply to Singapore dollar-denominated Notes where so specified in the applicable Pricing Supplement.

Where the Pricing Supplement specifies that this Condition 4(o)(iii) as applicable:

(A) **Independent Adviser**: If a SORA Index Cessation Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer shall use its reasonable endeavors to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, or failing which, an Alternative Rate (in accordance with Condition 4(o)(iii)(C) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 4(o)(iii)(D)).

In making such determination, the Independent Adviser appointed pursuant to this Condition 4(o)(iii) shall act in good faith as an expert and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, the Paying Agents or the Noteholders for any determination made by it, pursuant to this Condition 4(o)(iii).

If:

(i) the Issuer is unable to appoint an Independent Adviser; or

(ii) the Independent Adviser fails to determine a Successor Rate or, failing which, an Alternative Rate,

in accordance with this Condition 4(o)(iii)(A) prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Accrual Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Accrual Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest which would have been applicable to the Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date. Where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Accrual Period only and any subsequent Interest Accrual Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 4(o)(iii)(A).

(B) **Successor Rate or Alternate Rate**: If the Independent Adviser determines that:

(i) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 4(o)(iii)); or

(ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 4(o)(iii)).

(C) **Adjustment Spread**: The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser (in consultation with the Issuer) is unable to determine the quantum of, or a formula or methodology for determining such Adjustment Spread, then the Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.

(D) **Benchmark Amendments**: If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 4(o)(iii) and the Independent Adviser (in consultation with the Issuer) determines:

(i) that amendments to these Conditions and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the "**Benchmark Amendments**"); and

(ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(o)(iii)(E), without any requirement for the consent or approval of Noteholders, the Trustee or the Agents, vary these Conditions and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two authorized signatories of the Issuer pursuant to Condition 4(o)(iii)(E), the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed), provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

For the avoidance of doubt, the Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 4(o)(iii)(D). Noteholders' consent shall not be required in connection with effecting of the Successor Rate or the Alternative Rate (as applicable) or such other changes, including the execution of any documents or any steps by the Trustee or the Issuing and Paying Agent (if required). Further, none of the Trustee, Calculation Agent, Paying Agents, Registrars or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or Independent Adviser with respect to any Successor Rate or Alternative Rate (as applicable) or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

In connection with any such variation in accordance with this Condition 4(o)(iii)(D), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(E) **Notices**: Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(o)(iii) will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 16, the Noteholders and the Couponholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee a certificate signed by two authorized signatories of the Issuer:

(x) confirming:

(I) that a SORA Index Cessation Event has occurred;

(II) the Successor Rate or, as the case may be, the Alternative Rate;

(III) the applicable Adjustment Spread;

(IV) the specific terms of the Benchmark Amendments (if any),

in each case as determined in accordance with the provisions of this Condition 4(o)(iii); and

(y) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate, Alternative Rate, the Adjustment Spread or the Benchmark Amendments (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents and the Noteholders.

(F) **Definitions**:

As used in this Condition 4(o)(iii):

"**Adjustment Spread**" means either:

(a) a spread (which may be positive, negative or zero); or

(b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);

(ii) the Independent Adviser determines as being customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Independent Adviser determines that no such spread is customarily applied);

(iii) the Independent Adviser (in consultation with the Issuer) determines, and which is recognized or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be);

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser, determines in accordance with Condition 4(o)(iii)(B) as being customarily applied in market usage in debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in Singapore Dollars;

"**Benchmark Amendments**" has the meaning given to it in Condition 4(o)(iii)(D);

"**Independent Adviser**" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 4(o)(iii)(A);

"**Original Reference Rate**" means, initially, SORA (being the originally-specified benchmark rate used to determine SORA Benchmark and the Rate of Interest), provided that if a SORA Index Cessation Event has occurred with respect to SORA or the then-current Original Reference Rate, then "**Original Reference Rate**" means the applicable Successor Rate or Alternative Rate (as the case may be).

"**Relevant Nominating Body**" means:

(a) the Monetary Authority of Singapore (or any successor administrator of the Original Reference Rate); or

(b) any working group or committee officially sponsored or endorsed by, chaired or co-chaired by or constituted at the request of the Monetary Authority of Singapore (or any successor administrator of the Original Reference Rate).

"**SORA Index Cessation Event**" means the occurrence of one or more of the following events:

(i) the Original Reference Rate ceasing to be published for a period of at least five Singapore Business Days or ceasing to exist; or

(ii) a public statement or publication of information by or on behalf of the Monetary Authority of Singapore (or a successor administrator of the Original Reference Rate), the regulatory supervisor for the administrator of the Original Reference Rate, the central bank for the currency of the Original Reference Rate, an insolvency official with jurisdiction over the administrator of the Original Reference Rate, a resolution authority with jurisdiction over the administrator of the Original Reference Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the Original Reference Rate, announcing that the administrator of the Original Reference Rate has ceased or will cease to provide the Original Reference Rate permanently or indefinitely, and such cessation is reasonably expected by the Issuer to occur prior to the Maturity Date, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Original Reference Rate; or

(iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Original Reference Rate announcing that the Original Reference Rate has been or will be permanently or indefinitely discontinued and such discontinuation is reasonably expected by the Issuer to occur prior to the Maturity Date; or

(iv) a public statement or publication of information by or on behalf of the Monetary Authority of Singapore (or the supervisor of a successor administrator of the Original Reference Rate) as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes, and such prohibition is reasonably expected by the Issuer to occur prior to the Maturity Date; or

(v) a public statement by or on behalf of the Monetary Authority of Singapore (or the supervisor of a successor administrator of the Original Reference Rate) that the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market,

provided that the SORA Index Cessation Event shall be deemed to occur (a) in the case of sub-paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (iv) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of sub-paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

The occurrence of a SORA Index Cessation Event shall be determined by the Issuer and promptly notified to the Trustee, the Calculation Agent and the Paying Agents. For the avoidance of doubt, neither the Trustee, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination; and

"**Successor Rate**" means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body as the replacement of the Original Reference Rate (which rate may be produced by the Monetary Authority of Singapore or such other administrator).

(iv) **Qualification as Tier 2 Capital Securities**

Notwithstanding any other provision of Conditions 4(o)(i)(D), 4(o)(ii)(B) or 4(o)(ii)(C) or 4(o)(iii)(D) (as applicable), no Successor Rate, Alternative Rate or Benchmark Replacement (as the case may be) will be adopted, nor will the applicable Adjustment Spread or Benchmark Replacement Adjustment (as the case may be) be applied, nor will any Benchmark Amendments or Benchmark Replacement Conforming Changes (as the case may be) be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Notes as Tier 2 Capital Securities and/or the Notes as eligible liabilities or loss absorbing capacity instruments for the purposes of any applicable loss absorption regulations.

5 Redemption, Purchase and Options

(a) **Redemption by Installments and Final Redemption**:

(i) Unless previously redeemed, purchased and canceled as provided in this Condition 5, each Note that provides for Installment Dates and Installment Amounts shall be partially redeemed on each Installment Date at the related Installment Amount specified in the applicable Pricing Supplement. The outstanding nominal amount of each such Note shall be reduced by the Installment Amount (or, if such Installment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Installment Date, unless payment of the Installment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Installment Amount.

(ii) Unless otherwise provided in the applicable Pricing Supplement and unless previously redeemed, purchased and canceled as provided below, each Note shall be finally redeemed on the Maturity Date specified in the applicable Pricing Supplement at its Final Redemption Amount (which, unless otherwise provided in the applicable Pricing Supplement, is its nominal amount) or, in the case of a Note falling within Condition 5(a)(i), its final Installment Amount.

(b) **Early Redemption**:

(i) *Zero Coupon Notes*:

(A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 10 shall be the "**Amortized Face Amount**" (calculated as provided below) of such Note unless otherwise specified in the applicable Pricing Supplement.

(B) Subject to the provisions of Condition 5(b)(i)(C), the Amortized Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortization Yield (which, if none is shown in the applicable Pricing Supplement, shall be such rate as would produce an Amortized Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortized Face Amount of such Note as defined in Condition 5(b)(i)(B), except that such Condition shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortized Face Amount in accordance with this Condition 5(b)(i)(C) shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 4(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the applicable Pricing Supplement.

(ii) *Other Notes*: The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified in the applicable Pricing Supplement.

(c) **Redemption for Taxation Reasons**:

(i) *Senior Notes*: The Senior Notes may be redeemed at the option of the Issuer in whole, but not in part, (the "**Senior Notes Optional Tax Redemption**") on any Interest Payment Date (if this Senior Note is either a Floating Rate Note or an Index Linked Note) or at any time (if this Senior Note is neither a Floating Rate Note nor an Index Linked Note), on giving not less than 15 days' notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 5(b)) together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption or, if the Early Redemption Amount is not specified in the applicable Pricing Supplement, at their nominal amount, together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption, if (aa) the Issuer has paid or will or would on the next payment date be required to pay any Additional Amounts (as defined in Condition 8) as a result of any change in, or amendment to, the laws or regulations of a Relevant Taxing Jurisdiction (as defined in Condition 8) or any political subdivision or any authority therein or thereof having power to tax (or any taxing authority of any taxing jurisdiction in which the Issuer is a tax resident) or any generally published application or interpretation of such laws or regulations by any such relevant tax authority or any generally published pronouncement by any such tax authority, including a decision of any court or tribunal in any such jurisdiction, or the Notes do not qualify as "qualifying debt securities" for the purposes of the Income Tax Act 1947 of Singapore (the "**Income Tax Act**") which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Senior Notes, and (bb) such obligation cannot be avoided by the Issuer taking measures reasonably available to it, provided that, where the Issuer has or will become obliged to pay Additional Amounts, no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Amounts were a payment in respect of the Senior Notes then due.

Before the publication of any notice of redemption pursuant to this Condition 5(c)(i), the Issuer shall deliver to (i) if the subject of the Senior Notes Optional Tax Redemption is Senior Notes other than AMTNs, the Trustee or (ii) if the subject of the Senior Notes Optional Tax Redemption is AMTNs, the Australian Agent, a certificate signed by two authorized signatories of OCBC (and in the case of any other Issuer, one authorized signatory of such Issuer) stating that the payment of Additional Amounts cannot be avoided by the Issuer taking reasonable measures available to it and the Trustee or the Australian Agent, as the case may be, shall be entitled to accept such certificate without any further inquiry as sufficient evidence of the satisfaction of Conditions 5(c)(i)(aa) and (bb) without liability to any person in which event it shall be conclusive and binding on the relevant Noteholders, Receiptholders and Couponholders. The Australian Agent will make such certificate available to the holders of the relevant AMTNs for inspection. Upon expiry of such notice, the Issuer shall redeem such Senior Notes in accordance with this Condition 5(c)(i).

(ii) *Subordinated Notes*: Subject to Condition 5(m), the Subordinated Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Subordinated Note is a Floating Rate Note) or at any time (if this Subordinated Note is not a Floating Rate Note), on giving not less than 15 days' notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 5(b)) together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption or, if the Early Redemption Amount is not specified in the applicable Pricing Supplement, at their nominal amount, together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption, if:

(A) the Issuer has paid or will or would on the next payment date be required to pay Additional Amounts (as defined in Condition 8); or

(B) payments of interest on the Subordinated Notes will or would be treated as "**distributions**" or dividends within the meaning of the Income Tax Act or any other act in respect of or relating to Singapore taxation or would otherwise be considered as payments of a type that are non-deductible for Singapore income tax purposes; or

(C) the Subordinated Notes do not qualify as "qualifying debt securities" for the purposes of the Income Tax Act,

in each case as a result of any change in, or amendment to, the laws or regulations of a Relevant Taxing Jurisdiction or any political subdivision or any authority therein or thereof having power to tax (or any taxing authority of any taxing jurisdiction in which the Issuer is a tax resident) or any generally published application or interpretation of such laws or regulations by any such relevant tax authority or any generally published pronouncement by any such tax authority, including a decision of any court or tribunal in any such jurisdiction, which change or amendment becomes effective on or after the date on which agreement is reached to issue the Subordinated Notes, and such obligations cannot be avoided by the Issuer taking measures reasonably available to it, provided that, where the Issuer has or will become obliged to pay Additional Amounts, no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Amounts were a payment in respect of the Subordinated Notes then due.

Before the publication of any notice of redemption pursuant to this Condition 5(c)(ii), the Issuer shall deliver to the Trustee a certificate signed by two authorized signatories of OCBC (and in the case of any other Issuer, one authorized signatory of such Issuer) stating that the payment of Additional Amounts, or that the non-deductibility of the payments of interest for Singapore income tax purposes, as the case may be, cannot be avoided by the Issuer taking reasonable measures available to it and the Trustee shall be entitled to accept such certificate without any further inquiry as sufficient evidence of the satisfaction of this Condition 5(c)(ii) without liability to any person in which event it shall be conclusive and binding on Noteholders. Upon expiry of such notice, the Issuer shall redeem the Subordinated Notes in accordance with this Condition 5(c)(ii).

Any redemption of the Subordinated Notes by the Issuer pursuant to this Condition 5(c)(ii) is subject to the Issuer obtaining the prior approval of MAS.

(d) **Redemption at the option of the Issuer**:

(i) *Senior Notes*: If Call Option is specified in the applicable Pricing Supplement as applicable, the Issuer may, on giving not less than 15 but not more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified in the applicable Pricing Supplement) redeem all or, if so provided, some of the Senior Notes on the date(s) specified in the applicable Pricing Supplement (the "**Senior Notes Optional Redemption Date**"). Any such redemption of Senior Notes shall be at the Optional Redemption Amount specified in the applicable Pricing Supplement together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption or, if no Optional Redemption Amount is specified in the applicable Pricing Supplement, at their nominal amount together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption, in accordance with these Conditions. Any such redemption or exercise must relate to Senior Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified in the applicable Pricing Supplement and no greater than the Maximum Redemption Amount to be redeemed specified in the applicable Pricing Supplement.

All Senior Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 5(d)(i).

In the case of a partial redemption of Senior Notes other than AMTNs, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place as the Trustee may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

In the case of a partial redemption of AMTNs, the AMTNs to be redeemed must be specified in the notice and selected (i) in a fair and reasonable manner; and (ii) in compliance with any applicable law, directive or requirement of any stock exchange or other relevant authority on which the AMTNs are listed.

(ii) *Subordinated Notes*: Subject to Condition 5(m), and unless otherwise specified in the Pricing Supplement, if Call Option is specified in the applicable Pricing Supplement as applicable, the Issuer may, on giving not less than 15 days' irrevocable notice to the Noteholders, elect to redeem all, but not some only, of the Subordinated Notes on (i) the relevant First Call Date specified in the applicable Pricing Supplement (which shall not be less than 5 years from the Issue Date); and (ii) any Interest Payment Date following such First Call Date at their Optional Redemption Amount specified in the applicable Pricing Supplement or, if no Optional Redemption Amount is specified in the applicable Pricing Supplement, at their nominal amount together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption in accordance with these Conditions.

All Subordinated Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 5(d)(ii).

The Maturity Date of the Subordinated Notes will not be less than five years from the Issue Date. Any redemption of the Subordinated Notes by the Issuer pursuant to this Condition 5(d)(ii) is subject to the Issuer obtaining the prior approval of MAS.

(e) **Redemption at the option of holders of Senior Notes**: If Put Option is specified in the applicable Pricing Supplement, the Issuer shall, at the option of the holder of any such Senior Note, upon the holder of such Senior Note giving not less than 15 but not more than 30 days' notice to the Issuer (or such other notice period as may be specified in the applicable Pricing Supplement) redeem such Senior Note on the Optional Redemption Date(s) at the Optional Redemption Amount stated in the applicable Pricing Supplement together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Senior Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes other than AMTNs) the Certificate representing such Senior Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No such Senior Note so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

Unless otherwise provided in the applicable Pricing Supplement, the Subordinated Notes are not redeemable prior to the Maturity Date at the option of the Noteholders.

(f) **Purchase at the option of Noteholders of Senior Notes**: If VRN Purchase Option is specified in the applicable Pricing Supplement, each Noteholder shall have the option to have all or any of its Variable Rate Notes purchased by the Issuer at their nominal amount on any Interest Payment Date (as defined in Condition 4(n)) and the Issuer will purchase such Variable Rate Notes accordingly. To exercise such option, a Noteholder shall deposit any Variable Rate Notes to be purchased, together with all Coupons relating to such Variable Rate Notes which mature after the date fixed for purchase, together with a duly completed option exercise notice in the form obtainable from the Paying Agent, not later than 5.00 p.m. (Singapore time) on the last day of the VRN Purchase Option Period shown on the face hereof. Any Variable Rate Notes so deposited may not be withdrawn. Such Variable Rate Notes may be held, resold or surrendered to the Paying Agent for cancelation. The Variable Rate Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Condition 11(a).

If Purchase Option is specified in the applicable Pricing Supplement, each Noteholder shall have the option to have all or any of its Notes purchased by the Issuer at their nominal amount on any date on which interest is due to be paid on such Notes and the Issuer will purchase such Notes accordingly. To exercise such option, a Noteholder shall deposit any such Notes to be purchased, together with all Coupons relating to such Notes which mature after the date fixed for purchase, together with a duly completed option exercise notice in the form obtainable from the Paying Agent, not later than 5.00 p.m. (Singapore time) on the last day of the Purchase Option shown on the face hereof. Any such Notes so deposited may not be withdrawn. Such Notes may be held, resold or surrendered to the Paying Agent for cancelation. The Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Condition 11(a).

(g) **Redemption for Change of Qualification Event in respect of Subordinated Notes**: Subject to Condition 5(m), if as a result of a change or amendment to the relevant requirements issued by MAS, or any change in, or amendment to, the application of official or generally accepted and published interpretation of such relevant requirements issued by MAS or any relevant supervisory authority having jurisdiction over the Issuer, including a ruling or notice issued by MAS or any such relevant supervisory authority, or any interpretation or pronouncement by MAS or any such relevant supervisory authority that provides for a position with respect to such requirements issued by MAS that differs from the previously published official or such generally accepted and published interpretation in relation to similar transactions or which differs from any specific written statements made by MAS or any relevant supervisory authority having jurisdiction over the Issuer in relation to:

(i) the qualification of the Subordinated Notes as Tier 2 Capital Securities; or

(ii) the inclusion of any Subordinated Notes in the calculation of the capital adequacy ratio,

in each case, of the Issuer (either on a consolidated or unconsolidated basis) ("**Eligible Capital**"), which change or amendment:

(x) becomes, or would become, effective on or after the Issue Date; or

(y) in the case of a change or amendment to the relevant requirements issued by MAS

or any relevant authority, if such change or amendment is expected to be issued by MAS or any relevant supervisory authority on or after the Issue Date,

the relevant Subordinated Notes (in whole or in part) would not qualify as Eligible Capital of the Issuer (excluding, for the avoidance of doubt, non-qualification solely by virtue of the Issuer already having, or coming to have, an issue of securities with an aggregate principal amount up to or in excess of the limit of Tier 2 Capital Securities permitted pursuant to the relevant legislation and statutory guidelines in force as at the Issue Date) (a "**Change of Qualification Event**"), then the Issuer may, having given not less than 15 days' prior written notice to the Noteholders in accordance with Condition 16 (which notice shall be irrevocable), redeem in accordance with these Conditions on any Interest Payment Date (if this Subordinated Note is at the relevant time a Floating Rate Note) or at any time (if this Subordinated Note is at the relevant time not a Floating Rate Note) all, but not some only, of the relevant Subordinated Notes, at their Early Redemption Amount or, if no Early Redemption Amount is specified in the applicable Pricing Supplement, at their nominal amount together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption in accordance with these Conditions.

Prior to the publication of any notice of redemption pursuant to this Condition 5(g), the Issuer shall deliver to the Trustee a certificate signed by two authorized signatories of OCBC (and in the case of any other Issuer, one authorized signatory of such Issuer) stating that a Change of Qualification Event has occurred and the Trustee shall be entitled to accept such certificate without any further inquiry as sufficient evidence of the satisfaction of the conditions set out above without liability to any person in which event it shall be conclusive and binding on the Noteholders. Upon expiry of such notice, the Issuer shall redeem the Subordinated Notes in accordance with this Condition 5(g).

Any redemption of the Subordinated Notes by the Issuer pursuant to this Condition 5(g) is subject to the Issuer obtaining the prior approval of MAS.

(h) **Variation of Subordinated Notes**:

Subject to Condition 5(m), where this Condition 5(h) is specified as being applicable in the applicable Pricing Supplement for the relevant Subordinated Notes, the Issuer may at any time, without any requirement for the consent or approval of the Noteholders and having given not less than 15 days' notice to the Noteholders in accordance with Condition 16 (which notice shall be irrevocable), vary the terms of those Subordinated Notes, where such variation does not result in terms that are materially less favorable to the Noteholders and so that they remain or, as appropriate, become Qualifying Securities and provided further that:

(i) such variation does not itself give rise to any right of the Issuer to redeem the varied securities that is inconsistent with the redemption provisions of those Subordinated Notes;

(ii) neither a Tax Event nor a Capital Event arises as a result of such variation; and

(iii) the Issuer is in compliance with the rules of any stock exchange on which the Subordinated Notes are for the time being listed or admitted to trading.

In order to give effect to a variation pursuant to this Condition 5(h), the Issuer and the Trustee shall take all such steps, including executing any supplemental deed, as may be necessary or desirable to give effect to such variation. For the avoidance of doubt, the Trustee shall not be responsible or liable for verifying or certifying whether any of the provisions of this Condition 5(h) have been complied with nor incur any liability whatsoever for any failure to do so.

Any variation (to the extent that any variation would affect the eligibility of the Subordinated Notes as Tier 2 Capital Securities) of the Subordinated Notes by the Issuer pursuant to this Condition 5(h) is subject to the Issuer obtaining the prior approval of MAS.

In this Condition 5(h):

"**Additional Amounts**" means such additional amounts the Issuer shall pay as will result (after withholding or deduction) in receipt by the Noteholders of the sums which would have been receivable (in the absence of such withholding or deduction) from it in respect of their Subordinated Notes;

a "**Capital Event**" will be deemed to have occurred if any Subordinated Notes are not, or cease to be, eligible in their entirety to be treated as Tier 2 Capital Securities of the relevant Issuer;

"**Qualifying Securities**" means securities, whether debt, equity, interests in limited partnerships or otherwise, issued directly or indirectly by the Issuer that:

(i) qualify (in whole or in part) as Tier 2 Capital Securities; or

(j) may be included (in whole or in part) in the calculation of the capital adequacy ratio,

in each case of (x) the Issuer, on an unconsolidated basis, or (y) the Issuer and its subsidiaries, on a consolidated basis;

(iv) shall:

(A) include a ranking at least equal to that of the Subordinated Notes;

(B) have at least the same interest rate and the same Interest Payment Dates as those from time to time applying to the Subordinated Notes;

(C) have the same redemption rights as the Subordinated Notes;

(D) preserve any existing rights under the Subordinated Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of variation; and

(E) if applicable, are assigned (or maintain) the same or higher credit ratings as were assigned to the Subordinated Notes immediately prior to such variation; and

(v) are listed on the SGX-ST (or such other stock exchange approved by the Trustee) if the Subordinated Notes were listed immediately prior to such variation; and

a "**Tax Event**" is deemed to have occurred if, in making any payments on any Subordinated Notes, the Issuer has paid or will or would on the next payment date be required to pay any Additional Amounts or payments of interest on the Subordinated Notes will or would be treated as "distributions" or dividends within the meaning of the Income Tax Act or any other act in respect of or relating to Singapore taxation or would otherwise be considered as payments of a type that are non-deductible for Singapore income tax purposes, in each case under the laws or regulations of a Relevant Taxing Jurisdiction (as defined in Condition 8) or any political subdivision or any authority therein or thereof having power to tax (or any taxing authority of any taxing jurisdiction in which the Issuer is a tax resident) or any generally published application or interpretation of such laws or regulations by any relevant tax authority or any generally published pronouncement by any such tax authority, including a decision of any court or tribunal in any such jurisdiction, and the Issuer cannot avoid the foregoing by taking measures reasonably available to it.

If a variation has occurred pursuant to, or otherwise in accordance with, this Condition 5(h), such event will not constitute a Default under these Conditions.

(k) **Partly Paid Notes**: If the Notes are specified in the applicable Pricing Supplement as being Partly Paid Notes, such Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition 5 and the provisions specified in the applicable Pricing Supplement.

(l) **Purchases**: The Issuer and any of its subsidiaries (with the prior approval of MAS, for so long as the Issuer is required to obtain such approval, in the case of Subordinated Notes) may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price in accordance with all relevant laws and regulations and, for so long as the Notes are listed, the requirements of the relevant stock exchange. The Issuer or any such subsidiary may, at its option, retain such purchased Notes for its own account and/or resell or cancel or otherwise deal with them at its discretion.

(m) **Cancelation**: All Notes purchased by or on behalf of the Issuer or any of its subsidiaries may be surrendered for cancelation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes (other than AMTNs), by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be canceled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancelation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged. Any Subordinated Note that is Written-off in full in accordance with Condition 6 or converted in full if and as described in the applicable Pricing Supplement shall be automatically canceled.

If any AMTN represented by an AMTN Certificate is redeemed or purchased and canceled in accordance with this Condition 5 then (i) the applicable AMTN Certificate will be deemed to be surrendered and canceled without any further formality, and (ii) where some, but not all, of the AMTNs represented by that AMTN Certificate are so redeemed, the Issuer will, promptly and without charge, issue and deliver, and procure the authentication by the Australian Agent of, a new AMTN Certificate in respect of those AMTNs that had been represented by the original AMTN Certificate and which remain outstanding following such redemption.

(n) **No Obligation to Monitor**: In the case of Notes other than AMTNs, the Trustee shall not be under any duty to monitor whether any event or circumstance has happened or exists within this Condition 5 and will not be responsible to the Noteholders, Receiptholders or Couponholders for any loss arising from any failure by it to do so. Unless and until the Trustee has notice in writing of the occurrence of any event or circumstance within this Condition 5, it shall be entitled to assume that no such event or circumstance exists.

(o) **Redemption or Variation of Subordinated Notes**: Without prejudice to any provision in this Condition 5, any redemption pursuant to Condition 5(c)(ii), Condition 5(d)(ii) or Condition 5(g) or variation pursuant to Condition 5(h) (to the extent that any variation would affect the eligibility of the Subordinated Notes as Tier 2 Capital Securities) of Subordinated Notes by the Issuer is subject to the Issuer obtaining the prior approval of MAS.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the applicable Pricing Supplement in relation to such Series.

6 Loss Absorption upon a Trigger Event and Bail-in Power in respect of Subordinated Notes

(a) The applicable Pricing Supplement will specify whether "Write-off" or "Conversion" applies as the relevant Loss Absorption Option upon the occurrence of a Trigger Event in relation to the Subordinated Notes to which it relates. If "Write-off" is specified, the provisions of Conditions 6(b) and (c) shall apply. If "Conversion" is specified, the terms applicable thereto will be specified in the applicable Pricing Supplement.

(b) **Write-off on a Trigger Event**:

(i) If "Write-off" is specified as the Loss Absorption Option in the applicable Pricing Supplement for any Subordinated Notes and if a Trigger Event occurs, the Issuer shall, upon the issue of a Trigger Event Notice, irrevocably and without the need for the consent of the Trustee or the holders of any Subordinated Notes, procure

that the Registrar shall reduce the principal amount and cancel any accrued but unpaid interest of each Subordinated Note (in whole or in part) by an amount equal to the Trigger Event Write-off Amount per Subordinated Note (a "**Write-off**", and "**Written-off**" shall be construed accordingly). Once any principal or interest under a Subordinated Note has been Written-off, it will be extinguished and will not be restored in any circumstances, including where the relevant Trigger Event ceases to continue. No Noteholder may exercise, claim or plead any right to any Trigger Event Write-off Amount, and each Noteholder shall be deemed to have waived all such rights to such Trigger Event Write-off Amount. For the avoidance of doubt, any Write-off in accordance with this Condition 6 shall not constitute a Default (as defined below).

(ii) If a Trigger Event Notice has been given in respect of any Subordinated Notes in accordance with this Condition 6(b), transfers of any such Subordinated Notes that are the subject of such notice shall not be permitted during the Suspension Period. From the date on which a Trigger Event Notice in respect of any Subordinated Notes in accordance with this Condition 6(b) is issued by the Issuer to the end of the Suspension Period, the Trustee and the Registrar shall not register any attempted transfer of any Subordinated Notes and such an attempted transfer will not be effective.

(iii) Any reference in these Conditions to principal in respect of the Subordinated Notes shall refer to the principal amount of the Subordinated Note(s), reduced by any applicable Write-off(s).

Any Write-off of Subordinated Notes or any cancelation, modification, conversion or change in form as a result of the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act is subject to the availability of procedures to effect the Write-off in the relevant clearing systems. For the avoidance of doubt, however, any Write-off of any Subordinated Notes, or the giving of effect of a Bail-in Certificate with respect to the Issuer, under this Condition 6 will be effective upon the date that the Issuer specifies in the Trigger Event Notice or in the notice of issue of a Bail-in Certificate (or as may otherwise be notified in writing to Subordinated Noteholders, the Trustee and Agents by the Issuer) notwithstanding any inability to operationally effect any such Write-off or cancelation, modification, conversion or change in form as a result of the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act in the relevant clearing system(s).

(c) **Multiple Trigger Events and Write-offs in part**:

(i) Where only part of the principal and/or interest of Additional Tier 1 Capital Securities or Tier 2 Capital Securities of the Issuer is to be Written-off, the Issuer shall use reasonable endeavors to conduct any Write-off such that:

(A) holders of any Series of Subordinated Notes are treated ratably and equally;

(B) the Write-off of any Subordinated Notes is conducted only to the extent that the Trigger Event Write-off Amount (as applicable) exceeds the aggregate nominal amount of all Additional Tier 1 Capital Securities of the Issuer that are capable of being written-off or converted under any applicable laws and/or their terms of issue analogous to these conditions, so as to Write-off Tier 2 Capital Securities of the Issuer (including the Subordinated Notes) in an aggregate nominal amount equal to the amount of that excess; and

(C) the Write-off of any Subordinated Notes is conducted on a *pro rata* and proportionate basis with all other Tier 2 Capital Securities of the Issuer, to the extent that such Tier 2 Capital Securities are capable of being written-off or converted under any applicable laws and/or their terms of issue analogous to these Conditions.

Any loss absorption action to be taken in respect of any Common Equity Tier 1 Capital shall not be required before a Write-off or conversion (if applicable) of any Subordinated Notes can be effected in accordance with these Conditions.

(ii) Any Series of Subordinated Notes may be subject to one or more Write-offs in part (as the case may be), except where such Series of Subordinated Notes has been Written-off in its entirety.

(d) **Bail-in Power in respect of Subordinated Notes**

Notwithstanding any other term of the Subordinated Notes, including without limitation Condition 6(b), or any other agreement or arrangement, the Subordinated Notes may be subject to cancelation, modification, conversion, change in form, or have the effect as if a right of modification, conversion, or change of form had been exercised by the MAS in the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act without prior notice. The Trustee (on behalf of the holders of Subordinated Notes) and each holder of a Subordinated Note shall be subject, and shall be deemed to agree, to be bound by and acknowledge that they are each subject to, having the Subordinated Notes being the subject of the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act. Further, the Trustee (on behalf of the holders of Subordinated Notes) and each holder of a Subordinated Note shall be deemed to agree to be bound by a Bail-in Certificate.

The rights of the holders of Subordinated Notes and the Trustee (on behalf of the holders of Subordinated Notes) under the Subordinated Notes and these Conditions are subject to, and will be amended and varied (if necessary), solely to give effect to, the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act.

No repayment of any outstanding principal amount of any Subordinated Notes or payment of any interest on any Subordinated Notes shall become due and payable or be paid after the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act unless, at the time that such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer under the laws and regulations applicable to the Issuer.

Upon the issue of a Bail-in Certificate with respect to the Subordinated Notes, the Issuer shall provide written notice of such Bail-in Certificate to the holders of Subordinated Notes and the Trustee in accordance with Condition 16 not more than two Business Days after the issue of such Bail-in Certificate.

Neither the cancelation, modification, conversion or change in form of the Subordinated Notes as a result of the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act with respect to the Issuer or the Subordinated Notes shall constitute a Default under Condition 10(b).

(e) **Definitions**:

In this Condition 6:

"**Bail-in Certificate**" means a bail-in certificate issued pursuant to Section 75 of the MAS Act;

"**Common Equity Tier 1 Capital**" means:

(i) any security issued by the Issuer; or

(ii) any other similar instrument issued by any subsidiary of the Issuer,

that, in each case, constitutes Common Equity Tier 1 Capital of the Issuer, on an unconsolidated basis, pursuant to the relevant requirements set out in MAS Notice 637;

"**Loss Absorption Option**" means such loss absorption option as may be specified in the applicable Pricing Supplement in respect of any Subordinated Notes;

"**MAS Act**" means the Monetary Authority of Singapore Act 1970 of Singapore, as amended;

"**Trigger Event**" means the earlier of:

(i) MAS notifying the Issuer in writing that it is of the opinion that a Write-off or conversion is necessary, without which the Issuer would become non-viable; and

(ii) a decision by MAS to make a public sector injection of capital, or equivalent support, without which the Issuer would have become non-viable, as determined by MAS;

"**Trigger Event Notice**" means the notice specifying that a Trigger Event has occurred, which shall be issued by the Issuer not more than two Business Days after the occurrence of a Trigger Event to the holders of the Subordinated Notes, the Trustee and the Issuing and Paying Agent in accordance with Condition 16 and which shall state with reasonable detail the nature of the relevant Trigger Event and, if applicable, specify, as applicable (A) the Trigger Event Write-off Amount per Subordinated Note to be Written-off or (B) details of any conversion consistent with any mechanics specified in the applicable Pricing Supplement. For the purposes of this definition, a Trigger Event Notice shall be deemed to be delivered on a Business Day if it is received by the Trustee at its principal place of business and by the Issuing and Paying Agent and the Registrar at their respective specified offices during normal business hours; and

"**Trigger Event Write-off Amount**" means the amount of interest and/or principal to be Written-off, as the MAS may direct, or as the Issuer (in accordance with the MAS) determines is required to be Written-off for the Trigger Event to cease to continue. For the avoidance of doubt, the Write-off will be effected in full even in the event that the amount Written-off is not sufficient for the Trigger Event to cease to continue.

(f) **Role of the Issuer, the Trustee and the Agents**:

Notwithstanding anything to the contrary that may be set out in these Conditions, the Trust Deed, the Agency Agreement, the applicable Pricing Supplement or any other document relating to the Subordinated Notes:

(i) neither the Trustee nor any Agent shall be under any duty to determine, monitor or report whether a Trigger Event has occurred or circumstances exist which may lead to the occurrence of a Trigger Event and will not be responsible or liable to the Noteholders or any other person for any loss arising from any failure by it to do so, except where such failure is due to the fraud, negligence or willful misconduct of the Trustee or such Agent. Unless and until the Trustee and the Issuing and Paying Agent receive a Trigger Event Notice in accordance with this Condition 6 and the other Agents are expressly notified in writing, each of them shall be entitled to assume that no such event or circumstance has occurred or exists;

(ii) each of the Trustee and each Agent shall be entitled without further enquiry and without liability to any Noteholder or any other person to rely on any Trigger Event Notice and such Trigger Event Notice shall be conclusive evidence of the occurrence of the Trigger Event and conclusive and binding on Noteholders;

(iii) neither the Trustee nor any Agent shall be under any duty to determine or calculate, or verify any determination or calculation of or relating to, any Trigger Event Write-off Amount and will not be responsible or liable to the Noteholders or any other person for any loss arising from any failure by it to do so, except where such failure is due to the fraud, negligence or willful misconduct of the Trustee or such Agent;

(iv) each of the Trustee, the Agents, Euroclear, Clearstream, CDP, DTC and any other relevant clearing system shall be entitled without further enquiry and without liability to any Noteholder or any other person to rely on any Trigger Event Notice and the Trigger Event Write-off Amount specified therein shall, as to the amount of interest and/or principal to be Written-off, be conclusive and binding on Noteholders;

(v) as long as such Subordinated Notes are held in global form, neither the Trustee nor any Agent shall, in any circumstances, be responsible or liable to the Issuer, the Noteholders or any other person for any act, omission or default by Euroclear, Clearstream, CDP, DTC or any other relevant clearing system, or its respective participants, members, any broker-dealer or any other relevant third party with respect to the notification and/or implementation of any Write-off by any of them in respect of such Subordinated Notes;

(vi) once the Issuer has delivered a Trigger Event Notice to the Trustee pursuant to this Condition 6:

(A) the Trustee shall not be obliged to take any action pursuant to any direction, instruction or request provided to it pursuant to an Extraordinary Resolution (as defined in the Trust Deed) or a resolution passed at a meeting of Noteholders; and

(B) any direction, instruction or request given to the Trustee pursuant to an Extraordinary Resolution or a resolution passed at a meeting of Noteholders prior to the date of the Trigger Event Notice shall cease automatically and shall be null and void and of no further effect,

provided that any action taken by the Trustee in respect of any such Subordinated Notes shall only be taken after the relevant Suspension Period;

(vii) the Issuer, the Trustee and each Agent shall, without the need for the consent or approval of the holders of any Subordinated Notes (or any further action or direction on the part of Noteholders), take any and all such steps in accordance with the Agency Agreement as may be necessary or desirable to give effect to any Trigger Event and any Write-off following the occurrence of the Trigger Event and to reflect the same in the records of Euroclear, Clearstream, CDP, DTC or any other relevant clearing system; and

(viii) the Trust Deed and Agency Agreement contain certain other protections and disclaimers as applicable to the Trustee and Agents in relation to Condition 6 and each Noteholder shall be deemed to have authorized, directed and requested the Trustee, the Registrar and the other Agents, as the case may be, to take any and all such steps as may be necessary or desirable to give effect to any Trigger Event and any Write-off following the occurrence of the Trigger Event.

7 Payments and Talons

(a) **Bearer Notes not held in CMU**: Payments of principal and interest in respect of Bearer Notes not held in CMU shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Installment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relevant Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(h)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(h)(ii)), as the case may be:

(i) in the case of a currency other than Renminbi, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank; and

(ii) in the case of Renminbi where the Notes are cleared through CDP, by transfer to a Renminbi account maintained by or on behalf of a Noteholder with a bank in Singapore or Hong Kong.

If a holder does not maintain such an account in respect of a payment to be made under the Notes, the Issuer reserves the right, in its sole discretion and upon such terms as it may determine, to make arrangements to pay such amount to that holder by another means, provided that the Issuer shall not have any obligation to make any such arrangements.

In this Condition 7(a), "**Bank**" means a bank in the principal financial center for such currency or, in the case of Euro, in a city in which banks have access to the TARGET System.

(b) **Bearer Notes held in CMU**: Payments of principal and interest in respect of Bearer Notes held in CMU will be made to the person(s) for whose account(s) interests in the relevant Bearer Note are credited as being held with CMU in accordance with CMU Rules (as defined in the Agency Agreement) at the relevant time as notified to the CMU Lodging and Paying Agent by CMU in a relevant CMU Instrument Position Report (as defined in the Agency Agreement) or any other relevant notification by CMU, which notification shall be conclusive evidence of the records of CMU (save in the case of manifest error) and payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment.

(c) **Registered Notes (other than AMTNs) not held in CMU**: This Condition 7(c) does not apply to AMTNs.

(i) Payments of principal (which for the purposes of this Condition 7(c) shall include final Installment Amounts but not other Installment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 7(a)(ii).

(ii) Interest (which for the purpose of this Condition 7(c) shall include all Installment Amounts other than final Installment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business (i) on the fifteenth day before the due date for payment thereof or (ii) in the case of Renminbi, on the fifth day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Registered Note shall be made:

(x) in the case of a currency other than Renminbi, in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Registered Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank; and

(y) in the case of Renminbi where the Notes are cleared through CDP, by transfer to the registered account of the Noteholder. If a holder does not maintain such a registered account in respect of a payment to be made under such Registered Note, the Issuer reserves the right, in its sole discretion and upon such terms as it may determine, to make arrangements to pay such amount to that holder by another means, *provided that* the Issuer shall not have any obligation to make any such arrangements.

In this Condition 7(c)(ii), "**registered account**" means the Renminbi account maintained by or on behalf of the Noteholder with a bank in Singapore or Hong Kong, details of which appear on the Register at the close of business on the fifth business day before the due date for payment.

(iii) Noteholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due on a Note if the due date is not a relevant business day, if the Noteholder is late in surrendering or cannot surrender its Certificate (if required to do so) or if a cheque mailed in accordance with Condition 7(c)(ii) arrives after the due date for payment.

(d) **Registered Notes (other than AMTNs) held in CMU**: This Condition 7(d) does not apply to AMTNs.

Payments of principal and interest in respect of Registered Notes held in CMU will be made to the person(s) for whose account(s) interests in the relevant Registered Note are credited as being held with CMU in accordance with CMU Rules (as defined in the Agency Agreement) at the relevant time as notified to the CMU Lodging and Paying Agent by CMU in a relevant CMU Instrument Position Report (as defined in the Agency Agreement) or any other relevant notification by CMU, which notification shall be conclusive evidence of the records of CMU (save in the case of manifest error) and payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment.

For so long as any of the Notes that are cleared through CMU are represented by a Global Note or a Global Certificate, payments of interest or principal will be made to the persons for whose account a relevant interest in that Global Note or, as the case may be, that Global Certificate is credited as being held by the operator of CMU at the relevant time, as notified to the CMU Lodging and Paying Agent by the operator of CMU in a relevant CMU Instrument Position Report (as defined in the rules of CMU) or in any other relevant notification by the operator of CMU. Such payment will discharge the Issuer's obligations in respect of that payment. Any payments by CMU participants to indirect participants will be governed by arrangements agreed between CMU participants and the indirect participants and will continue to depend on the inter-bank clearing system and traditional payment methods. Such payments will be the sole responsibility of such CMU participants.

(e) **Payments in the United States**: Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(f) **Payments subject to fiscal laws**: All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws to which the Issuer agrees to be subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders, Receiptholders or Couponholders in respect of such payments.

(g) **Appointment of Agents**: The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent, the Paying Agents, the Registrar, the Australian Agent, the Exchange Agent, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent, the Paying Agents, the Registrar, the Australian Agent, the Exchange Agent, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder, Receiptholders or Couponholder. The Issuer reserves the right at any time with the approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent, any other Paying Agent, the Registrar, the Australian Agent, the Exchange Agent, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar or Australian Agent (as applicable) in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a CMU Lodging and Paying Agent in relation to Notes cleared through CMU, (v) a CDP Paying Agent in relation to Notes cleared through CDP, (vi) a U.S. Paying Agent in relation to Notes cleared through DTC, (vii) one or more Calculation Agent(s) where these Conditions so require and (viii) such other agents as may be required by any other stock exchange on which the Notes may be listed in each case, as approved by the Trustee.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in Condition 7(e).

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

So long as any Global Certificate payable in a specified currency other than U.S. dollars is held through DTC or its nominee, there will at all times be an Exchange Agent with a specified office in New York City.

(h) **Unmatured Coupons and Receipts and unexchanged Talons**:

(i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes such Notes should be surrendered for payment together with all unmatured Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such claim in relation to such Coupon has become void pursuant to Condition 9).

(ii) Upon the due date for redemption of any Bearer Note which does not comprise a Fixed Rate Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Upon the due date for redemption of any Bearer Note that is redeemable in installments, all Receipts relating to such Note having an Installment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

(v) Where any Bearer Note that provides that the relevant unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(i) **Talons**: On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any claims in relation to Coupons that may have become void pursuant to Condition 9).

(j) **Non-Business Days**: If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this Condition 7(j), "**business day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such other jurisdictions as shall be specified as "Financial Centers" in the applicable Pricing Supplement and:

(i) (in the case of a payment in a currency other than Euro and Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial center of the country of such currency; or

(ii) (in the case of a payment in Euro) which is a TARGET Business Day; or

(iii) (in the case of Renminbi where the Notes are cleared through CMU) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong; or

(iv) (in the case of Renminbi where the Notes are cleared through CDP or in definitive form) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Singapore and Hong Kong; or

(v) (in the case of Renminbi where the Notes are cleared through Euroclear or Clearstream) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in London.

(k) **Renminbi Disruption Fallback**: Notwithstanding the foregoing, if (i) Renminbi is, in the reasonable opinion of the Issuer, not expected to be available to the Issuer when payment of the Notes is due as a result of circumstances beyond the control of the Issuer or (ii) by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuer is not able to satisfy payments of principal or interest in respect of the Notes when due in Renminbi (in the case of Notes cleared through CMU, Euroclear or Clearstream) in Hong Kong or (in the case of Notes cleared through CDP) in Singapore, the Issuer shall, on giving not less than five nor more than 30 days' irrevocable notice to the Noteholders prior to the due date for payment, settle any such payment (in the case of Notes cleared through CMU, Euroclear or Clearstream) in U.S. dollars on the due date at the U.S. Dollar Equivalent, or (in the case of Notes cleared through CDP) in Singapore dollars on the due date at the Singapore Dollar Equivalent, of any such Renminbi denominated amount. The due date for payment shall be the originally scheduled due date or such postponed due date as shall be specified in the notice referred to above, which postponed due date may not fall more than 20 days after the originally scheduled due date. Interest on the Notes will continue to accrue up to but excluding any such date for payment of principal.

In such event, payments of the U.S. Dollar Equivalent or the Singapore Dollar Equivalent (as applicable) of the relevant principal or interest in respect of the Notes shall be made by:

(i) in the case of Notes cleared through CMU, Euroclear or Clearstream, transfer to a U.S. dollar denominated account maintained by the payee with, or by a U.S. dollar denominated cheque drawn on, or, at the option of the holder, by transfer to a U.S. dollar account maintained by the holder with, a bank in New York City and the definition of "**business day**" for the purpose of Condition 7(j) shall mean any day on which banks and foreign exchange markets are open for general business in the relevant place of presentation, and New York City; or

(ii) in the case of Notes cleared through CDP, transfer to a Singapore dollar denominated account maintained by the payee with, or by a Singapore dollar denominated cheque drawn on, a bank in Singapore.

For the purposes of this Condition 7:

"**Determination Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange):

(i) in the case of Notes cleared through CMU, Euroclear or Clearstream, in Hong Kong and New York City; or

(ii) in the case of Notes cleared through CDP, in Singapore.

"**Determination Date**" means the day which:

(i) in the case of Notes cleared through CMU, Euroclear or Clearstream, is two Determination Business Days before the due date for payment of the relevant amount under these Conditions; or

(ii) in the case of Notes cleared through CDP, is seven Determination Business Days before the due date of the relevant amount under these Conditions.

"**Governmental Authority**" means:

(i) in the case of Notes cleared through CMU, Euroclear or Clearstream, any *de facto or de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong; or

(ii) in the case of Notes cleared through CDP, MAS or any other governmental authority or any other entity (private or public) charged with the regulation of the financial markets of Singapore.

"**Illiquidity**" means:

(i) in the case of Notes cleared through CMU, Euroclear or Clearstream, the general Renminbi exchange market in Hong Kong becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest or principal in respect of the Notes as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers selected by the Issuer; or

(ii) in the case of Notes cleared through CDP, the general Renminbi exchange market in Singapore becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest or principal in respect of the Notes as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers selected by the Issuer.

"**Inconvertibility**" means the occurrence of any event that makes it impossible (where it had been previously possible) for the Issuer to convert any amount due in respect of the Notes in the general Renminbi exchange market in (in the case of Notes cleared through CMU, Euroclear or Clearstream) Hong Kong or (in the case of Notes cleared through CDP) Singapore, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

"**Non-transferability**" means the occurrence of any event that makes it impossible for the Issuer to deliver Renminbi between accounts:

(i) in the case of Notes cleared through CMU, Euroclear or Clearstream, inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong and outside the PRC or from an account outside Hong Kong and outside the PRC to an account inside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation); or

(ii) in the case of Notes cleared through CDP, inside Singapore or from an account inside Singapore to an account outside Singapore and outside the PRC or from an account outside Singapore and outside the PRC to an account inside Singapore, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

"**PRC**" means the People's Republic of China (excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan).

"**Renminbi Dealer**" means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in (in the case of Notes cleared through CMU, Euroclear or Clearstream) Hong Kong or (in the case of Notes cleared through CDP) Singapore.

"**Singapore Dollar Equivalent**" means the Renminbi amount converted into Singapore dollars using the relevant Spot Rate for the relevant Determination Date, as promptly notified to the Issuer and the Paying Agents.

"**Spot Rate**" means:

(i) in the case of Notes cleared through CMU, Euroclear or Clearstream, the spot CNY/U.S. dollar exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement in

two Determination Business Days, as determined by the Calculation Agent at or around 11.00 a.m. (Hong Kong time) on the Determination Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF.

If such rate is not available, the Calculation Agent will determine the Spot Rate at or around 11.00 a.m. (Hong Kong time) on the Determination Date as the most recently available CNY/U.S. dollar official fixing rate for settlement in two Determination Business Days reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate; or

(ii) in the case of Notes cleared through CDP, the spot CNY/Singapore dollar exchange rate as determined by the Issuer at or around 11.00 a.m. (Singapore time) on the Determination Date in good faith and in a reasonable commercial manner, and if a spot rate is not readily available, the Issuer may determine the rate taking into consideration all available information which the Issuer deems relevant, including pricing information obtained from the Renminbi non-deliverable exchange market in Singapore or elsewhere and the PRC domestic foreign exchange market in Singapore (and, for the avoidance of doubt, the Calculation Agent shall have no obligation to determine the Spot Rate in the case of Notes cleared through CDP).

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 7(k) by the Calculation Agent, will (in the absence of willful default, bad faith or manifest error) be binding on the Issuer, the Agents and all Noteholders.

"**U.S. Dollar Equivalent**" means the Renminbi amount converted into U.S. dollars using the Spot Rate for the relevant Determination Date as promptly notified to the Issuer and the Paying Agents.

(l) **AMTNs**:

(i) The Australian Agent will act (through its office in Sydney) as paying agent for AMTNs pursuant to the Australian Agency Agreement and:

(A) if the AMTN is in the clearing system (the "**Austraclear System**") operated by Austraclear, by crediting on the relevant Interest Payment Date or Maturity Date (as the case may be) the amount then due to the account (held with a bank in Australia) of Austraclear in accordance with the rules and regulations known as the "**Austraclear System Regulations**" established by Austraclear (as amended or replaced from time to time) to govern the use of the Austraclear System;

(B) if the AMTN is not in the Austraclear System, by crediting on the Interest Payment Date or Maturity Date (as the case may be), the amount then due to an account (held with a bank in Australia) previously notified in writing by the holder of the AMTN to the Issuer and the Australian Agent.

If a payment in respect of the AMTN is prohibited by law from being made in Australia, such payment will be made in an international financial center for the account of the relevant payee, and on the basis that the relevant amounts are paid in immediately available funds, freely transferrable at the order of the payee.

For the purposes of this Condition 7(l), in relation to AMTNs, "**Business Day**" has the meaning given in the Australian Agency Agreement.

(ii) Payments of principal and interest will be made in Sydney in Australian dollars to the persons registered at the close of business in Sydney on the relevant Record Date (as defined below) as the holders of such AMTNs, subject in all cases to normal banking practice and all applicable laws and regulations. Payment will be made by cheques drawn on the Sydney branch of an Australian bank dispatched by post on the relevant payment date at the risk of the Noteholder or, at the option of the Noteholder, by the Australian Agent giving in Sydney irrevocable instructions for the effecting of a transfer of the relevant funds to an Australian dollar account in Australia specified by the Noteholder to the Australian Agent (or in any other manner in Sydney which the Australian Agent and the Noteholder agree).

(iii) In the case of payments made by electronic transfer, payments will for all purposes be taken to be made when the Australian Agent gives irrevocable instructions in Sydney for the making of the relevant payment by electronic transfer, being instructions which would be reasonably expected to result, in the ordinary course of banking business, in the funds transferred reaching the account of the Noteholder on the same day as the day on which the instructions are given.

(iv) If a cheque posted or an electronic transfer for which irrevocable instructions have been given by the Australian Agent is shown, to the satisfaction of the Australian Agent, not to have reached the Noteholder and the Australian Agent is able to recover the relevant funds, the Australian Agent may make such other arrangements as it thinks fit for the effecting of the payment in Sydney.

(v) Interest will be calculated in the manner specified in Condition 4 and will be payable to the persons who are registered as Noteholders at the close of business in Sydney on the relevant Record Date and cheques will be made payable to the Noteholder (or, in the case of joint Noteholders, to the first-named) and sent to their registered address, unless instructions to the contrary are given by the Noteholder (or, in the case of joint Noteholders, by all the Noteholders) in such form as may be prescribed by the Australian Agent. Payments of principal will be made to, or to the order of, the persons who are registered as Noteholders at the close of business in Sydney on the relevant Record Date, subject, if so directed by the Australian Agent, to receipt from them of such instructions as the Australian Agent may require.

(vi) If any day for payment in respect of any AMTN is not a Business Day, such payment shall not be made until the next day which is a Business Day, and no further interest shall be paid in respect of the delay in such payment.

(vii) Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto. Neither the Issuer nor the Australian Agent shall be liable to any Noteholder or other person for any commissions, costs, losses or expenses in relation to or resulting from such payments.

In this Condition 7(l) in relation to AMTNs, "**Record Date**" means, in the case of payments of principal or interest, the close of business in Sydney on the date which is the fifteenth calendar day before the due date of the relevant payment of principal or interest.

8 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes, the Receipts and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by a Relevant Taxing Jurisdiction or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts (the "**Additional Amounts**") as shall result in receipt by the Noteholders, Receiptholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Note, Receipt or Coupon:

(a) **Other connection**: to, or to a third party on behalf of, a holder who is (i) treated as a resident of the Relevant Taxing Jurisdiction or as having a permanent establishment in the Relevant Taxing Jurisdiction for tax purposes or (ii) liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt, Talon or Coupon by reason of his having some connection with the Relevant Taxing Jurisdiction other than the mere holding or ownership of the Note, Receipt, Talon or Coupon or receiving income therefrom, or the enforcement thereof; or

(b) **Lawful avoidance of withholding**: to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Note (or the Certificate representing it), Receipt or Coupon is presented for payment; or

(c) Presentation more than 30 days after the Relevant Date: presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such Additional Amounts on presenting it for payment on the thirtieth such day; or

(d) **Payment to an associate**: to, or to a third party on behalf of, a holder of a Note issued by the Issuer through its Australian branch or by a Specified Issuer that is a resident of Australia (and who is not acting through a branch outside of Australia) who is an "associate" (as that term is defined in section 128F(9) of the Income Tax Assessment Act 1936 of Australia) of the Issuer or Specified Issuer, as relevant, and such holder is not acting in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Australian Corporations Act;

(e) **Australian tax file number/Australian Business Number withholding tax:** to, or to a third party on behalf of, a holder of a Registered Note, if that person has not supplied an appropriate Australian tax file number, Australian Business Number or details of an applicable exemption from these requirements; or

(f) **Garnishee directions by the Australian Commissioner of Taxation**: to, or to a third party on behalf of, a holder of a Note where such withholding or deduction is required to be made pursuant to a notice or direction issued by the Commissioner of Taxation under section 255 of the Income Tax Assessment Act 1936 of Australia or section 260-5 of Schedule 1 to the Taxation Administration Act 1953 of Australia or any similar law.

For the avoidance of doubt, neither the Issuer nor any other person shall be required to pay any Additional Amounts or otherwise indemnify a holder for any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the United States Internal Revenue Code of 1 986, as amended (the "**Code**") as amended or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement).

As used in these Conditions,

(i) "**Relevant Date**" in respect of any Note, Receipt, Talon or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relevant Certificate), Receipt, Talon or Coupon being made in accordance with these Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) "principal" shall be deemed to include any premium payable in respect of the Notes, all Installment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortized Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 5 or any amendment or supplement to it, (ii) "interest" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (iii) "principal" and/or "interest" shall be deemed to include any additional amounts that may be payable under this Condition 8 or any undertaking given in addition to or in substitution for it under the Trust Deed.

(ii) "**Relevant Taxing Jurisdiction**" means, in respect of Senior Notes, Singapore or any country in which the branch of the Issuer through which the Issuer is issuing the Senior Notes is located or the country of the Specified Issuer and (ii) in respect of Subordinated Notes, Singapore.

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Notes or Coupons (if applicable) by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, shall not apply if such person acquires such Notes or Coupons (if applicable) using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.

9 Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10 Events of Default

(a) **Senior Notes**:

If any of the following events ("**Events of Default**") occurs and is continuing, (i) in the case of Senior Notes (other than AMTNs), the Trustee at its absolute discretion may, and if so requested by holders of at least one-quarter in nominal amount of the Senior Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to its being indemnified and/or secured to its satisfaction) give notice to the Issuer that the Senior Notes are, and they shall immediately become, due and payable at their Early Redemption Amount together (if applicable) with accrued interest or (ii) in the case of AMTNs, the holder of an AMTN may, give written notice to the Australian Agent and the Issuer that such AMTN is immediately repayable, whereupon the Early Redemption Amount of such AMTN together (if applicable) with accrued interest to the date of payment shall become immediately due and payable, unless such event of default shall have been remedied prior to the receipt of such notice by the Australian Agent or the Issuer:

(i) *Non-Payment*: default is made for more than 14 days in the payment on the due date of interest or principal in respect of any of the Senior Notes; or

(ii) *Breach of Other Obligations*: the Issuer does not perform or comply with any one or more of its other obligations under the Senior Notes, the Trust Deed or the Note (AMTN) Deed Poll, which default has not been remedied within 60 days after notice of such default shall have been given to the Issuer by the Trustee or a holder of the relevant AMTNs; or

(iii) *Insolvency*: the Issuer is (or is deemed by law or a court of competent jurisdiction to be) insolvent or bankrupt or unable to pay its debts as they fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of its debts, or makes a general assignment or an arrangement or composition with or for the benefit of all its creditors in respect of any such debts or a moratorium is agreed or declared in respect of all or a material part of the debts of the Issuer; or

(iv) *Winding-up*: an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer, or the Issuer shall apply or petition for a winding-up or administration order in respect of itself or ceases or through an official action of its board of directors threatens to cease to carry on all or a substantial part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganization, merger or consolidation.

(b) **Subordinated Notes**: In the case of the Subordinated Notes:

(i) **Default**: "**Default**", wherever used in these Conditions, means (except as expressly provided below, whatever the reason for such Default and whether or not it shall be voluntary or involuntary or be effected by the operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body) failure to pay principal of or interest on any Subordinated Note (which default in the case of principal continues for seven Business Days and in the case of interest continues for 14 Business Days) after the due date for such payment.

If a Write-off or conversion has occurred pursuant to, or otherwise in accordance with, Condition 6 or (with respect to a conversion) any applicable Pricing Supplement, such event will not constitute a Default under these Conditions.

(ii) **Enforcement**: If a Default occurs and is continuing, the Trustee may in its absolute discretion institute proceedings in Singapore (but not elsewhere) for the winding-up of the Issuer. The Trustee shall have no right to enforce payment under or accelerate payment of any Subordinated Note in the case of such Default in payment on such Subordinated Note or a default in the performance of any other covenant of the Issuer in such Subordinated Note or in the Trust Deed except as provided for in this Condition 10 and Clause 7 of the Trust Deed.

Subject to the subordination provisions as set out in Condition 3, in Clause 5 and Clause 7.2 of the Trust Deed, if a court order is made or an effective resolution is passed for the winding-up of the Issuer, there shall be payable on the Subordinated Notes after the payment in full of all claims of all Senior Creditors, but in priority to holders of share capital of the Issuer and Additional Tier 1 Capital Securities and/or as otherwise specified in the applicable Pricing Supplement or in a supplement to the Offering Memorandum, such amount remaining after the payment in full of all claims of all Senior Creditors up to, but not exceeding, the nominal amount of the Subordinated Notes together with interest accrued to the date of repayment.

(iii) **Rights and Remedies upon Default**: If a Default in respect of the payment of principal of or interest on the Subordinated Notes occurs and is continuing, the sole remedy available to the Trustee shall be the right to institute proceedings in Singapore (but not elsewhere) for the winding-up of the Issuer. If the Issuer shall default in the performance of any obligation contained in the Trust Deed, other than a Default specified in Condition 10(b)(i), the Trustee and the Noteholders shall be entitled to every right and remedy given hereunder or thereunder or now or hereafter existing at law or in equity or otherwise, provided, however, that the Trustee shall have no right to enforce payment under or accelerate payment of any Subordinated Note except as provided in this Condition 10(b)(iii) and Clause 7.2 of the Trust Deed.

If any court awards money damages or other restitution for any default with respect to the performance by the Issuer of its obligations contained in the Trust Deed, the payment of such money damages or other restitution shall be subject to the subordination provisions set out herein and in Clause 5 and Clause 7.2 of the Trust Deed.

(iv) **Entitlement of the Trustee**: The Trustee shall not be bound to take any of the actions referred to in Condition 1 0(b)(ii) or Condition 10(b)(iii) or Clause 7.2 of the Trust Deed or any other action under the Trust Deed unless (i) it shall have been so requested by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders or in writing by the holders of at least one-quarter in nominal amount of the Subordinated Notes then outstanding and (ii) it shall have been indemnified and/or secured to its satisfaction.

(v) **Rights of Holders**: No Noteholder shall be entitled to proceed directly against the Issuer or to institute proceedings for the winding-up of the Issuer in Singapore or to prove in any winding-up of the Issuer unless the Trustee, having become so bound to proceed (in accordance with the terms of the Trust Deed) or being able to prove in such winding-up, fails to do so within a reasonable period and such failure shall be continuing, in which case the Noteholder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise.

No remedy against the Issuer, other than as referred to in this Condition 10 and Clause 7 of the Trust Deed, shall be available to the Trustee or any Noteholder whether for the recovery of amounts owing in relation to or arising from the Subordinated Notes and/or the Trust Deed or in respect of any breach by the Issuer of any of its other obligations relating to or arising from the Subordinated Notes and/or the Trust Deed.

11 Meetings of Noteholders, Modification and Waiver

Condition 11(a), Condition 11(b) and Condition 11(c) do not apply to AMTNs.

(a) **Meetings of Noteholders**: The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provision of the Trust Deed. Such a meeting may be convened by Noteholders holding not less than 10% in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Installment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any Installment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes (except as a result of any modification contemplated in Condition 4(o)), (iv) if a Minimum and/or a Maximum Rate of Interest, Installment Amount or Redemption Amount is shown in the applicable Pricing Supplement, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including, in the case of Zero Coupon Notes, the method of calculating the Amortized Face Amount, (vi) to vary the currency or currencies of payment or the Specified Denomination of the Notes, (vii) to take any steps that as specified in the applicable Pricing Supplement may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (viii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, (ix) to modify Condition 3 in respect of the Subordinated Notes, (x) to modify Condition 5(i) where Condition 5(i) is specified as being applicable in the Pricing Supplement for the relevant Subordinated

Notes or (xi) to sanction the exchange or substitution for the Notes of, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other entity in circumstances other than where "Conversion" is specified in the applicable Pricing Supplement and as contemplated by such provisions, in which case the necessary quorum shall be two or more persons holding or representing not less than 75%, or at any adjourned meeting not less than 25%, in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders and Receiptholders.

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 90% in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

The consent or approval of the Noteholders shall not be required in the case of amendments to these Conditions pursuant to Condition 4(o) to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes or for any other variation of these Conditions and/or the Agency Agreement required to be made in the circumstances described in Condition 4(o), where the requirements of Condition 4(o) have been satisfied (including the provision of a certificate to the Trustee, where applicable).

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the applicable Pricing Supplement in relation to such Series.

(b) **Modification of the Trust Deed and waiver**: The Trustee may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed which is, in its opinion, of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provision of law, and (ii) any other modification (except as mentioned in the Trust Deed), and waive or authorize, on such terms as seem expedient to it, any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Notwithstanding any other provision of these Conditions or the Trust Deed, for Notes specified in the applicable Pricing Supplement as being Subordinated Notes, no modification to any Condition or any provision of the Trust Deed may be made without the prior approval of MAS where such modifications could impact the eligibility of the Subordinated Notes as Tier 2 Capital Securities. Any such modification, authorization or waiver shall be binding on the Noteholders, Receiptholders and the Couponholders and, if the Trustee so requires, such waiver or authorization shall be notified by the Issuer to the Noteholders as soon as practicable.

(c) **Entitlement of the Trustee**: In connection with the exercise of its functions (including but not limited to those referred to in this Condition 11(c)) the Trustee shall have regard to the interests of the Noteholders, Receiptholders or Couponholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders, Receiptholders or Couponholders and the Trustee shall not be entitled to require, nor shall any Noteholder, Receiptholders or Couponholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders, Receiptholders or Couponholders.

(d) **Meetings of AMTN holders**: The Note (AMTN) Deed Poll contains provisions for convening meetings of holders of AMTNs to consider any matter affecting their interests.

12 Enforcement in respect of Senior Notes

In the case of Senior Notes (that are not AMTNs), at any time after the Senior Notes become due and payable, the Trustee may, in its absolute discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce the terms of the Trust Deed, the Senior Notes, the Receipts and the Coupons, but it need not take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-quarter in nominal amount of the Senior Notes outstanding, and (b) it shall have been indemnified and/or secured to its satisfaction. No Noteholder, Receiptholder or Couponholder in respect of Senior Notes (that are not AMTNs) may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing, in which case such Noteholder, Receiptholder or Couponholder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise. In the case of any

AMTN, at any time after such AMTN becomes due and payable, the holder of such AMTN may at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce the terms of the Note (AMTN) Deed Poll and such AMTN.

13 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

Each Noteholder, Receiptholder and Couponholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial position, creditworthiness, condition, affairs, status and nature of the Issuer and the Trustee shall not at any time have any responsibility for the same and each Noteholder, Receiptholder or Couponholder shall not rely on the Trustee in respect thereof.

The Trustee may accept and rely without liability to Noteholders, Receiptholders or Couponholders on a report, confirmation or certificate or any advice of any accountants, financial advisors, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. Such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee, the Noteholders, Receiptholders and the Couponholders.

14 Replacement of Notes, Certificates, AMTN Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or Talons) and otherwise as the Issuer or such agent may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

Should any AMTN Certificate be lost, stolen, mutilated, defaced or destroyed, upon written notice of such having been received by the Issuer and the Australian Agent:

(a) that AMTN Certificate will be deemed to be canceled without any further formality; and

(b) the Issuer will, promptly and without charge, issue and deliver, and procure the authentication by the Australian Agent of, a new AMTN Certificate to represent the holding of the AMTNs that had been represented by the original AMTN Certificate.

15 Further Issues

The Issuer may from time to time without the consent of the Noteholders, Receiptholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single Series with the outstanding securities of any Series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition 15 and forming a single Series with the Notes. Any further securities forming a single series with the outstanding securities of any Series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other Series where the Trustee so decides.

16 Notices

Notices to Noteholders will be valid if published in a daily newspaper of general circulation in Singapore (which is expected to be *The Business Times* but may be another leading daily English language newspaper with general circulation in Singapore) or for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, on the website of the SGX-ST (www.sgx.com). Any such notice shall be deemed to have been given on the date of publication.

So long as the Notes are represented by the Global Certificate and the Global Certificate is held on behalf of (i) DTC, Euroclear or Clearstream, the Alternative Clearing System (as defined in the form of the Global Certificate) or CDP, notices to Noteholders shall be given by delivery of the relevant notice to DTC, Euroclear or Clearstream, the Alternative Clearing System or (subject to the agreement of CDP) CDP for communication by it to entitled accountholders in substitution for notification as required by these Conditions or (ii) CMU, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to the persons shown in a CMU Instrument Position Report issued by the Hong Kong Monetary Authority on the business day preceding the date of dispatch of such notice, in each case except that if the Notes are listed on the SGX-ST, and the rules of the SGX-ST so require, notice will in any event be published as provided above.

A Trigger Event Notice or notice of the issue of a Bail-in Certificate to the holders of any Subordinated Notes shall be deemed to have been validly given on the date on which such notice is published in a daily newspaper of general circulation in Singapore (which is expected to be The Business Times but may be another leading daily English language newspaper with general circulation in Singapore) or so long as the Subordinated Notes are listed on the SGX-ST and the rules of the SGX-ST so require, published on the website of the SGX-ST (www.sgx.com). Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

17 Contracts (Rights of Third Parties) Act

No person shall have any right to enforce any term or condition of the Notes under (i) if the Notes are specified in the applicable Pricing Supplement as being governed by English law, the Contracts (Rights of Third Parties) Act 1999 or (ii) if the Notes are specified in the applicable Pricing Supplement as being governed by Singapore law, Contracts (Rights of Third Parties) Act 2001 of Singapore.

18 Governing Law and Jurisdiction

Condition 18(a), Condition 1 8(b) and Condition 18(c) do not apply to AMTNs.

(a) **Governing Law**: The Trust Deed and, if the Notes are specified in the applicable Pricing Supplement as being governed by Singapore law, as supplemented by the Singapore Supplemental Trust Deed, the Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English or Singapore law, as specified in the applicable Pricing Supplement, save that Condition 3(b), Condition 3(c), Condition 3(d), Condition 10(b)(ii) and Condition 1 0(b)(iii) for Notes specified in the applicable Pricing Supplement as Subordinated Notes are in all cases governed by, and shall be construed in accordance with, Singapore law.

(b) **Jurisdiction**:

(i) If the Notes are specified in the applicable Pricing Supplement as being governed by English law, the courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons, save that the courts of Singapore shall have exclusive jurisdiction to settle any disputes that may arise out of Conditions 3(b), 3(c), 3(d), 10(b)(ii) and/or 10(b)(iii), and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons ("**Proceedings**") may be brought in such courts. For Notes for which English law is specified as the governing law in the applicable Pricing Supplement, insofar as the Proceedings do not arise out of or are in connection with Conditions 3(b), 3(c), 3(d), 10(b)(ii) and/or 10(b)(iii), the Issuer irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the holders of the Notes, Receipts, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not). Insofar as the Proceedings arise out of or are in connection with Conditions 3(b), 3(c), 3(d), 10(b)(ii) and/or 10(b)(iii), all parties irrevocably submit to the exclusive jurisdiction of the courts of Singapore and waive any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

(ii) If the Subordinated Notes are specified in the applicable Pricing Supplement as being governed by Singapore law, the courts of Singapore are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Subordinated Notes and accordingly any Proceedings shall be brought in such courts. For Subordinated Notes for which Singapore law is specified as the governing law in the applicable Pricing Supplement, all parties irrevocably submit to the exclusive jurisdiction of the courts of Singapore and waive any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

(c) **Service of Process**: For Notes for which English law is specified as the governing law in the applicable Pricing Supplement, the Issuer has in the Trust Deed agreed that its branch in England shall accept service of process on its behalf in respect of any Proceedings in England. If such branch ceases to be able to accept service of process in England, the Issuer shall immediately appoint a new agent to accept such service of process in England.

(d) **AMTNs**:

This Condition 18(d) shall only apply to AMTNs.

(i) The AMTNs, the Australian Agency Agreement and the Note (AMTN) Deed Poll shall be governed by the laws in force in New South Wales, Australia.

(ii) The courts of New South Wales, Australia and the courts of appeal from them are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with them and any suit, action or proceedings arising out of or in connection with the AMTNs, the Australian Agency Agreement and the Note (AMTN) Deed Poll (together referred to as "**Australian Proceedings**") may be brought in such courts.

(iii) For so long as any AMTNs are outstanding, the Issuer agrees that its Sydney branch in Australia shall accept service of process on its behalf in New South Wales, Australia in respect of any Australian Proceedings. In the event there is no such branch, the Issuer shall immediately appoint another agent to accept such service of process in Sydney.

TERMS AND CONDITIONS OF THE PERPETUAL CAPITAL SECURITIES

*The following is the text of the terms and conditions that, save for the words in italics and, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the applicable Pricing Supplement, shall be applicable to the Perpetual Capital Securities (as defined in the Trust Deed referred to below) in definitive form (if any) issued in exchange for the Global Certificate(s) representing each Series. These terms and conditions, together with the relevant provisions of the applicable Pricing Supplement, as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on the Certificates relating to such Perpetual Capital Securities. All capitalized terms that are not defined in these Conditions will have the meanings given to them in the applicable Pricing Supplement or the Trust Deed, as the case may be. Those definitions will be endorsed on the Certificates. References in these Conditions to "**Perpetual Capital Securities**" are to the Perpetual Capital Securities of one Series only, not to all Perpetual Capital Securities that may be issued under the Program.*

The Perpetual Capital Securities are constituted by an amended and restated trust deed (as amended or supplemented as at the date of issue of the Perpetual Capital Securities (the "**Issue Date**")) dated April 6, 2022 (the "**Trust Deed**") between Oversea-Chinese Banking Corporation Limited ("**OCBC**" or the "**Issuer**") and The Bank of New York Mellon, London Branch (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Securityholders (as defined below) and, if the Perpetual Capital Securities are specified in the applicable Pricing Supplement as being governed by Singapore law, as supplemented by the Singapore supplemental trust deed (as amended or supplemented as at the Issue Date) dated April 6, 2022 between OCBC and the Trustee (the "**Singapore Supplemental Trust Deed**"), and where applicable, the Perpetual Capital Securities which are specified in the applicable Pricing Supplement to be held in and cleared through The Central Depository (Pte) Limited ("**CDP**") are issued with the benefit of a deed of covenant dated August 31, 2012, as supplemented on March 9, 2018, relating to the Perpetual Capital Securities executed by OCBC (and as further amended, varied or supplemented from time to time, the "**CDP Deed of Covenant**").

These terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Certificates referred to below. OCBC, the Trustee, The Bank of New York Mellon, London Branch, as initial issuing and paying agent in relation to each Series of Perpetual Capital Securities or any Series of Perpetual Capital Securities to be held through CDP, in the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority (the "**CMU**") or through The Depository Trust Company ("**DTC**"), The Bank of New York Mellon, Hong Kong Branch as initial CMU lodging and paying agent in relation to each Series of Perpetual Capital Securities to be held in CMU, The Bank of New York Mellon, Singapore Branch as initial CDP paying agent in relation to each Series of Perpetual Capital Securities to be held in CDP, The Bank of New York Mellon, as issuing and paying agent, exchange agent and transfer agent and registrar in respect of each Series of Perpetual Capital Securities to be cleared through DTC and the other agents named therein have entered into an amended and restated agency agreement (as amended or supplemented as at the Issue Date, the "**Agency Agreement**") dated April 6, 2022 in relation to the Perpetual Capital Securities and, if the Perpetual Capital Securities are specified in the applicable Pricing Supplement as being governed by Singapore law, as supplemented by the Singapore supplemental agency agreement (as amended and supplemented as at the Issue Date) dated April 6, 2022 between the Issuer, the CDP paying agent and the other agents named therein (the "**Singapore Supplemental Agency Agreement**"). The issuing and paying agent, the CMU lodging and paying agent, the CDP paying agent, the U.S. paying agent, the exchange agent, the other paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Issuing and Paying Agent**", the "**CMU Lodging and Paying Agent**", the "**CDP Paying Agent**", the "**U.S. Paying Agent**", the "**Exchange Agent**", the "**Paying Agents**"

(which expression shall include the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent and the U.S. Paying Agent), the "**Registrar**", the "**Transfer Agents**" (which expression shall include the Registrar) and the "**Calculation Agent(s)**". For the purposes of these Conditions, all references (other than in relation to the determination of Distribution (as defined herein) and other amounts payable in respect of the Perpetual Capital Securities) to the Issuing and Paying Agent shall (i) with respect to a Series of Perpetual Capital Securities to be held in CMU, be deemed to be a reference to the CMU Lodging and Paying Agent, (ii) with respect to a Series of Perpetual Capital Securities to be held in CDP, be deemed to be a reference to the CDP Paying Agent and (iii) with respect to a Series of Perpetual Capital Securities to be held in DTC, be deemed to be a reference to the U.S. Paying Agent and all such references shall be construed accordingly. Copies of the Trust Deed, the Singapore Supplemental Trust Deed, the Agency Agreement, the Singapore Supplemental Agency Agreement and the CDP Deed of Covenant referred to above are available for inspection free of charge during usual business hours at the principal office of the Trustee (presently at One Canada Square, London, E14 5AL, United Kingdom) and at the specified offices of the Paying Agents and the Transfer Agents.

The Securityholders are entitled to the benefit of, are bound by, and are deemed to have notice of, these Conditions, all the provisions of the Trust Deed and the applicable Pricing Supplement, and, in the case of Perpetual Capital Securities specified in the applicable Pricing Supplement as being governed by Singapore law, the Singapore Supplemental Trust Deed, and are deemed to have notice of those provisions applicable to them of the Agency Agreement or the Singapore Supplemental Agency Agreement, as the case may be. The Pricing Supplement for any Perpetual Capital Securities (or the relevant provisions thereof) shall be attached to or endorsed on such Perpetual Capital Securities. References to "**applicable Pricing Supplement**" are to the Pricing Supplement (or relevant provisions thereof) attached to or endorsed on the relevant Perpetual Capital Securities.

As used in these Conditions, "**Tranche**" means Perpetual Capital Securities which are identical in all respects, "**Series**" means a series of Perpetual Capital Securities comprising one or more Tranches, whether or not issued on the same date, that (except in respect of the first payment of Distribution and their issue price) have identical terms on issue and are expressed to have the same Series Number specified in the applicable Pricing Supplement and "**subsidiary**" has the meaning given to this term under the Companies Act 1967 of Singapore.

1 Form, Denomination and Title

The Perpetual Capital Securities are issued in registered form only, in each case in the Specified Currency and Specified Denomination(s) shown in the applicable Pricing Supplement.

*All Perpetual Capital Securities shall have the same Specified Denomination. Perpetual Capital Securities sold in reliance on Rule 144A will be in minimum denominations of U.S.$200,000 (or its equivalent in other currencies) and integral multiples of U.S.$1,000 (or its equivalent in other currencies) in excess thereof, subject to compliance with all legal and/or regulatory requirements applicable to the relevant currency. Perpetual Capital Securities which are listed on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") will be traded on the SGX-ST in a minimum board lot size of S$200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time. In the case of any Perpetual Capital Securities which are to be admitted to trading on a regulated market within the European Economic Area or in the United Kingdom or offered to the public in a Member State of the European Economic Area or in the United Kingdom in circumstances which require the publication of a prospectus under Regulation (EU) 2017/1129 (as amended or superseded), the minimum Specified Denomination shall be €100,000 or £100,000 (or its equivalent in any other currency as at the date of issue of the relevant Perpetual Capital Securities).*

Each Perpetual Capital Security may be a Fixed Rate Perpetual Capital Security or a Floating Rate Perpetual Capital Security, a combination of any of the foregoing or any other kind of Perpetual Capital Security, depending upon the Distribution and Redemption/Payment Basis specified in the applicable Pricing Supplement.

Perpetual Capital Securities are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Perpetual Capital Securities by the same holder.

Title to the Perpetual Capital Securities shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Perpetual Capital Security shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, "**Securityholder**" means the person in whose name a Perpetual Capital Security is registered (as the case may be), "**holder**" (in relation to a Perpetual Capital Security) means the person in whose name a Perpetual Capital Security is registered (as the case may be) and capitalized terms have the meanings given to them in the applicable Pricing Supplement, the absence of any such meaning indicating that such term is not applicable to the Perpetual Capital Securities.

*For so long as any of the Perpetual Capital Securities is represented by a Global Certificate held on behalf of Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream**"), each person (other than Euroclear or Clearstream) who is for the time being shown in the records of Euroclear and/or Clearstream as the holder of a particular nominal amount of such Perpetual Capital Securities (in which regard any certificate or other document issued by Euroclear and/or Clearstream as to the nominal amount of such Perpetual Capital Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Trustee and the Agents as the holder of such nominal amount of such Perpetual Capital Securities for all purposes other than with respect to the payment of principal or Distribution on such nominal amount of such Perpetual Capital Securities, for which purpose the registered holder of the relevant Global Certificate shall be treated by the Issuer, the Trustee and any Agent as the holder of such nominal amount of such Perpetual Capital Securities in accordance with and subject to the terms of the relevant Global Certificate and the expressions "**Securityholder**" and "**holder of Securities**" and related expressions shall be construed accordingly.*

For so long as DTC or its nominee is the registered owner or holder of a Global Certificate, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Perpetual Capital Securities represented by such Global Certificate for all purposes under the Trust Deed and the Agency Agreement and those Perpetual Capital Securities except to the extent that in accordance with DTC's published rules and procedures any ownership rights may be exercised by its participants or beneficial owners through participants.

2 Transfers of Perpetual Capital Securities

(a) **Transfer of Perpetual Capital Securities**: Subject to Condition 2(e), one or more Perpetual Capital Securities may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Perpetual Capital Securities to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may require without service charge and subject to payment of any taxes, duties and other governmental charges in respect of such transfer. In the case of a transfer of part only of a holding of Perpetual Capital Securities represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Perpetual Capital Securities and entries on the Register will be made subject to the detailed regulations concerning transfers of Perpetual Capital Securities scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Securityholder upon request.

Any transfer of interests in the Perpetual Capital Securities evidenced by a Global Certificate will be effected in accordance with the rules of the relevant clearing systems. Transfers of a Global Certificate registered in the name of a nominee for DTC shall be limited to transfers of such Global Certificate, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor's nominee.

Any transfer of interests in any Perpetual Capital Securities that are the subject of a Trigger Event Notice issued in accordance with Condition 7 or notice of issue of a Bail-in Certificate shall not be permitted during any Suspension Period (as defined below).

(b) **Exercise of Options or Partial Redemption, Write-off or Conversion in Respect of Perpetual Capital Securities**: In the case of an exercise of the Issuer's option in respect of, or a partial redemption or (as the case may be) a partial Write-off (as defined in Condition 7(b)) or conversion (if specified and as described in the applicable Pricing Supplement) of, a holding of Perpetual Capital Securities represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed, Written-off (as defined below) or converted. In the case of a partial exercise of an option resulting in Perpetual Capital Securities of the same holding having different terms, separate Certificates shall be issued in respect of those Perpetual Capital Securities of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any other Transfer Agent. In the case of a transfer of Perpetual Capital Securities to a person who is already a holder of Perpetual Capital Securities, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(c) **Delivery of New Certificates**: Each new Certificate to be issued pursuant to Condition 2(a) or Condition 2(b) shall be available for delivery within five business days of receipt of the request for transfer, exercise, redemption or exchange, form of transfer and surrender of the Certificate for transfer, exercise or redemption, except for any Write-off pursuant to Condition 7(b) or conversion (if specified and as described in the applicable Pricing Supplement) in which case any new Certificate to be issued shall be available for delivery as soon as reasonably practicable. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for

transfer, exercise, redemption or exchange, form of transfer and/or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(c), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(d) **Transfers Free of Charge**: Transfers of Perpetual Capital Securities and Certificates on registration, transfer, exercise of an option or partial redemption, Write-off or conversion (if and as specified in the applicable Pricing Supplement) shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment by the relevant Securityholder of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(e) **Closed Periods**: No Securityholder may require the transfer of a Perpetual Capital Security to be registered (i) during the period of 15 days ending on the due date for redemption of that Perpetual Capital Security, (ii) during the period of 15 days before to any date on which Perpetual Capital Securities may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Perpetual Capital Security has been called for redemption, (iv) during the period of seven days ending on (and including) any Record Date, or (v) during a Suspension Period.

In these Conditions, "**Suspension Period**" means the period commencing on the business day in Singapore immediately following the date of a Trigger Event Notice (as defined in Condition 7(e)) or notice of issue of a Bail-in Certificate, as the case may be, and ending on the earlier of the close of business in Singapore on:

(i) the date on which the Registrar or any other Agent has (A) reflected the relevant Write-off or conversion (if and as specified in the applicable Pricing Supplement) in the Register or (B) issued a new Certificate (as the case may be) to such Securityholder in respect of the related Write-off or conversion (if and as specified in the applicable Pricing Supplement); and

(ii) on the tenth business day in Singapore immediately following the date of any such notice, or

in the event that a Bail-in Certificate has been issued, when the Bail-in Certificate has been effected.

In relation to any Suspension Period, "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

3 Status

(a) **Status of Perpetual Capital Securities**: The Perpetual Capital Securities constitute direct, unsecured and subordinated obligations of the Issuer and rank *pari passu* and without any preference among themselves. The rights and claims of the Securityholders are subordinated as described below.

(b) **Subordination**: Upon the occurrence of any winding-up proceeding (other than pursuant to a Permitted Reorganization (as defined below)), the rights of the Securityholders to the payment of the principal of and Distributions on the Perpetual Capital Securities and any other obligations in respect of the Perpetual Capital Securities are expressly subordinated and subject in right of payment to the prior payment in full of all claims of Senior Creditors, and will rank senior to Junior Obligations. The Perpetual Capital Securities will rank *pari passu* with Additional Tier 1 Capital Securities and/or as otherwise specified in the applicable Pricing Supplement or in a supplement to the Offering Memorandum and any instrument or security issued, entered into or guaranteed by the Issuer that ranks or is expressed to rank, by its terms or operation of law, *pari passu* with a Perpetual Capital Security. In the event that (i) the Securityholders do not receive payment in full of the principal amount due and payable in respect of the Perpetual Capital Securities plus Distributions thereon accrued to the date of repayment in any winding-up of the Issuer and (ii) the winding-up order or resolution passed for the winding-up of the Issuer or the dissolution of the Issuer is subsequently stayed, discharged, rescinded, avoided, annulled or otherwise rendered inoperative, then to the extent that such Securityholders did not receive payment in full of such principal of and Distributions on such Perpetual Capital Securities, such unpaid amounts shall remain payable in full; *provided that* payment of such unpaid amounts shall be subject to the provisions under this Condition 3 and Condition 11 and Clause 6 and Clause 8.3 of the Trust Deed.

The Issuer has agreed, pursuant to the terms of the Trust Deed, to indemnify the Securityholders against any loss incurred as a result of any judgment or order being given or made for any amount due under the Perpetual Capital Securities and such judgment or order being expressed and paid in a currency other than the Specified Currency. Any amounts due under such indemnification will be similarly subordinated in right of payment with other amounts due on the Perpetual Capital Securities and payment thereof shall be subject to the provisions under this Condition 3 and Condition 11(b) and Clause 8.3 of the Trust Deed.

On a winding-up of the Issuer, there may be no surplus assets available to meet the claims of the Securityholders after the claims of the parties ranking senior to the Securityholders (as provided in this Condition 3 and Clause 6 of the Trust Deed) have been satisfied.

The subordination provisions set out in this Condition 3(b) are effective only upon the occurrence of any winding-up proceedings of the Issuer. In the event that a Trigger Event occurs, the rights of holders of Perpetual Capital Securities shall be subject to Condition 7. This may not result in the same outcome for Securityholders as would otherwise occur under this Condition 3(b) upon the occurrence of any winding-up proceedings.

In these Conditions:

"**Additional Tier 1 Capital Securities**" means (i) any security issued by the Issuer or (ii) any other similar instrument issued by any subsidiary of the Issuer that is guaranteed by the Issuer, that, in each case, constitutes Additional Tier 1 capital of the Issuer on an unconsolidated basis, pursuant to the relevant requirements set out in MAS Notice 637.

"**Issuer Shares**" means the ordinary shares of the Issuer.

"**Junior Obligations**" means (i) any Issuer Share and (ii) any class of the Issuer' share capital and any instrument or security (including without limitation any preference shares) issued, entered into or guaranteed by the Issuer which ranks or is expressed to rank, by its terms or by operation of law, junior to a Perpetual Capital Security.

"**MAS**" means the Monetary Authority of Singapore or such other governmental authority having primary bank supervisory authority with respect to the Issuer.

"**MAS Notice 637**" means the MAS Notice 637 – "Notice on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore" issued by MAS, as amended, replaced or supplemented from time to time.

"**Offering Memorandum**" means the offering memorandum dated April 6, 2022 relating to, *inter alia*, the Perpetual Capital Securities (which term shall include those documents incorporated in it by reference from time to time as provided in it) as from time to time amended, supplemented or replaced (but not including any information or documents replaced or superseded by any information so subsequently included or incorporated).

"**Permitted Reorganization**" means a solvent reconstruction, amalgamation, reorganization, merger or consolidation whereby all or substantially all the business, undertaking and assets of the Issuer are transferred to a successor entity which assumes all the obligations of the Issuer under the Perpetual Capital Securities.

"**Senior Creditors**" means creditors of the Issuer (including the Issuer's depositors and the holders of Tier 2 Capital Securities) other than those whose claims rank or are expressed to rank *pari passu* with or junior to the claims of the holders of the Perpetual Capital Securities.

"**Tier 2 Capital Securities**" means (i) any security issued by the Issuer or (ii) any other similar instrument issued by any subsidiary of the Issuer that is guaranteed by the Issuer that, in each case, constitutes a Tier 2 capital instrument of the Issuer on an unconsolidated basis, pursuant to the relevant requirements set out in MAS Notice 637.

(c) **Set-off and Payment Void**: No Securityholder may exercise, claim or plead any right of set-off, counterclaim or retention in respect of any amount owed to it by the Issuer arising under or in connection with the Perpetual Capital Securities. Each Securityholder shall, by acceptance of any Perpetual Capital Security, be deemed to have waived all such rights of set-off, counterclaim or retention to the fullest extent permitted by law. If at any time any Securityholder receives payment or benefit of any sum in respect of the Perpetual Capital Securities (including any benefit received pursuant to any such set-off, counter-claim or retention) other than in accordance with the provisions in the second paragraph of Condition 11(b) and Clause 8.3.2 of the Trust Deed, the payment of such sum or receipt of such benefit shall, to the fullest extent permitted by law, be deemed void for all purposes and such Securityholder, by acceptance of such Perpetual Capital Security, shall agree as a separate and independent obligation that any such sum or benefit so received shall forthwith be paid or returned in full by such Securityholder to the Issuer upon demand by the Issuer or, in the event of the winding-up of the Issuer, the liquidator of the Issuer, whether or not such payment or receipt shall have been deemed void under the Trust Deed. Any sum so paid or returned shall then be treated for the purposes of the Issuer's obligations as

if it had not been paid by the Issuer, and its original payment shall be deemed not to have discharged any of the obligations of the Issuer under the Perpetual Capital Securities.

4 Distributions and other Calculations

(a) **Distribution on Fixed Rate Perpetual Capital Securities**: Subject to Condition 5, each Fixed Rate Perpetual Capital Security confers a right to receive distribution (each, a "**Distribution**") on its outstanding nominal amount from and including the Distribution Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Distribution, such Distribution being payable in arrear on each Distribution Payment Date.

The Rate of Distribution in respect of a Fixed Rate Security shall be:

(i) (if no Reset Date is specified in the applicable Pricing Supplement) the Initial Distribution Rate; or

(ii) (if a Reset Date is specified in the applicable Pricing Supplement):

(A) for the period from, and including, the Distribution Commencement Date to the First Reset Date specified in the applicable Pricing Supplement, the Initial Distribution Rate; and

(B) for the period from, and including, the First Reset Date and each Reset Date (as specified in the applicable Pricing Supplement) falling thereafter to, but excluding, the immediately following Reset Date, the Reset Distribution Rate.

The amount of Distribution payable shall be determined in accordance with Condition 4(e).

For the purposes of this Condition 4(a), "**Reset Distribution Rate**" means the Relevant Rate with respect to the relevant Reset Date plus the Initial Spread.

(b) **Distribution on Floating Rate Perpetual Capital Securities (for non-Singapore Dollar Perpetual Capital Securities)**:

(i) *Distribution Payment Dates*: Subject to Condition 5, each Floating Rate Perpetual Capital Security confers a right to receive distribution (each, a "**Distribution**") on its outstanding nominal amount from and including the Distribution Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Distribution, such Distribution being payable in arrear on each Distribution Payment Date. The amount of Distribution payable shall be determined in accordance with Condition 4(e). Such Distribution Payment Date(s) is/are either shown in the applicable Pricing Supplement as Specified Distribution Payment Dates or, if no Specified Distribution Payment Date(s) is/are shown in the applicable Pricing Supplement, Distribution Payment Date shall mean each date which falls the number of months or other period shown in the applicable Pricing Supplement as the Distribution Period after the preceding Distribution Payment Date or, in the case of the first Distribution Payment Date, after the Distribution Commencement Date.

In this Condition 4(b), Floating Rate Perpetual Capital Security shall refer to a Floating Rate Perpetual Capital Security which is denominated in a currency other than Singapore dollars.

(ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day (as defined in Condition 4(i)), then, if the Business Day Convention specified in the applicable Pricing Supplement is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) *Rate of Distribution for Floating Rate Perpetual Capital Securities*: The Rate of Distribution in respect of Floating Rate Perpetual Capital Securities for each Distribution Accrual Period shall be determined in the manner specified in the applicable Pricing Supplement and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the applicable Pricing Supplement.

(A) ISDA Determination for Floating Rate Perpetual Capital Securities

Where ISDA Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Distribution is to be determined, the Rate of Distribution for each Distribution Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this Condition 4(b)(iii)(A), "**ISDA Rate**" for a Distribution Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(w) the Floating Rate Option is as specified in the applicable Pricing Supplement;

(x) the Designated Maturity is a period specified in the applicable Pricing Supplement;

(y) the relevant Reset Date is the first day of that Distribution Accrual Period unless otherwise specified in the applicable Pricing Supplement; and

(z) if the Floating Rate Option is an Overnight Floating Rate Option:

(1) Compounding with Lookback is applicable if specified in the applicable Pricing Supplement;

(2) Compounding with Observation Period Shift is applicable if specified in the applicable Pricing Supplement and, if so, Set-in-Advance is applicable if specified as such in the applicable Pricing Supplement;

(3) Compounding with Lockout is applicable if specified in the applicable Pricing Supplement; or

(4) OIS Compounding is applicable if specified in the applicable Pricing Supplement; and

(5) in connection with the Overnight Rate Compounding Method, references in the ISDA Definitions to numbers, financial centers or other items specified in the Confirmation shall be deemed to be references to the numbers, financial centers or other items specified for such purpose in the applicable Pricing Supplement and references in the ISDA Definitions to "Calculation Period", "Floating Rate Day Count Fraction", "Period End Date", "Termination Date" and "Effective Date" shall be deemed to be references to the relevant Distribution Accrual Period, the Day Count Fraction, the relevant Distribution Period Date, the final Distribution Period Date and the Distribution Commencement Date respectively.

For the purposes of this Condition 4(b)(iii)(A), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**", "**Swap Transaction**", "**Compounding with Lookback**", "**Compounding with Observation Period Shift**", "**Compounding with Lockout**", "**OIS Compounding**", "**Overnight Rate Compounding Method**" and "**Confirmation**", have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Perpetual Capital Securities where the Reference Rate is not specified as being SONIA Benchmark, SOFR Benchmark or SORA Benchmark

(x) Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Distribution is to be determined, the Rate of Distribution for each Distribution Accrual Period will, subject as provided below, be either:

(1) the offered quotation; or

(2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. Brussels time in the case of the Euro Interbank Offered Rate ("**EURIBOR**") or Hong Kong time in the case of the Hong Kong Interbank Offered Rate ("**HIBOR**")) on the Distribution Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Perpetual Capital Securities is specified in the applicable Pricing Supplement as being other than EURIBOR or HIBOR, the Rate of Distribution in respect of such Perpetual Capital Securities will be determined as provided in the applicable Pricing Supplement;

(y) If the Relevant Screen Page is not available or if, Condition 4(b)(iii)(B)(x)(1) applies and no such offered quotation appears on the Relevant Screen Page or if Condition 4(b)(iii)(B)(x)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Issuer shall request, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks or, if the Reference Rate is HIBOR, the principal Hong Kong office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the Distribution Determination Date in question and such rate shall be notified to the Calculation Agent. If two or more of the Reference Banks provide the Issuer with such offered quotations, the Rate of Distribution for such Distribution Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

(z) If Condition 4(b)(iii)(B)(y) applies and the Issuer determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Distribution shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Issuer by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Distribution Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Issuer with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time), on the relevant Distribution Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR, the Hong Kong inter-bank market, as the case may be, *provided that*, if the Rate of Distribution cannot be determined in accordance with the foregoing provisions of this Condition 4(b)(iii)(B)(z), the Rate of Distribution shall be determined as at the last preceding Distribution Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Distribution is to be applied to the relevant Distribution Accrual Period from that which applied to the last preceding Distribution Accrual Period, the Margin or Maximum or Minimum Rate of Distribution relating to the relevant Distribution Accrual Period, in place of the Margin or Maximum or Minimum Rate of Distribution relating to that last preceding Distribution Accrual Period).

(C) Screen Rate Determination for Floating Rate Perpetual Capital Securities where the Reference Rate is specified as being SONIA Benchmark

For each Floating Rate Perpetual Capital Security where the Reference Rate is specified in the applicable Pricing Supplement as being SONIA Benchmark, the Rate of Distribution for each Distribution Accrual Period will, subject as provided below, be equal to the relevant SONIA Benchmark plus or minus (as indicated in the applicable Pricing Supplement) the Margin.

The "SONIA Benchmark" will be determined based on Compounded Daily SONIA or SONIA Index, as follows (subject in each case to Condition 4(l)):

(x) If Compounded Daily SONIA is specified in the applicable Pricing Supplement, Compounded Daily SONIA shall be calculated by the Calculation Agent on the relevant Distribution Determination Date in accordance with the formula referenced below.

"**Compounded Daily SONIA**" means, with respect to a Distribution Accrual Period, the rate of return of a daily compound interest investment during the SONIA Observation Period corresponding to such Distribution Accrual Period (with the daily Sterling Overnight Index Average ("**SONIA**") rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the Distribution Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_{i-xLBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" means the number of calendar days in:

(1) where "SONIA Observation Lag" is specified as the SONIA Observation Method in the applicable Pricing Supplement, the relevant Distribution Accrual Period; or

(2) where "SONIA Observation Shift" is specified as the SONIA Observation Method in the applicable Pricing Supplement, the relevant SONIA Observation Period;

"$\mathbf{d_o}$" means:

(1) where "SONIA Observation Lag" is specified as the SONIA Observation Method in the applicable Pricing Supplement, the number of London Business Days in the relevant Distribution Accrual Period; or

(2) where "SONIA Observation Shift" is specified as the SONIA Observation Method in the applicable Pricing Supplement, the number of London Business Days in the relevant SONIA Observation Period;

"$_i$" means, for the relevant Distribution Accrual Period, a series of whole numbers from one to d_o, each representing the relevant London Business Day in chronological order from (and including):

(1) where "SONIA Observation Lag" is specified as the SONIA Observation Method in the applicable Pricing Supplement, the first London Business Day in the relevant Distribution Accrual Period to (and including) the last London Business Day in such Distribution Accrual Period; or

(2) where "SONIA Observation Shift" is specified as the SONIA Observation Method in the applicable Pricing Supplement, the first London Business Day in the relevant SONIA Observation Period to (and including) the last London Business Day in such SONIA Observation Period;

"**London Business Day**" or "**LBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"$\mathbf{n_i}$", for any London Business Day "$_i$", means the number of calendar days from and including such London Business Day "$_i$" up to but excluding the following London Business Day;

"$\mathbf{SONIA_{i\text{-}xLBD}}$" means:

(1) where "SONIA Observation Lag" is specified as the SONIA Observation Method in the applicable Pricing Supplement, in respect of any London Business Day "$_i$", the SONIA Reference Rate for the London Business Day falling "*x*" London Business Days prior to such London Business Day "$_i$"; or

(2) where "SONIA Observation Shift" is specified as the SONIA Observation Method in the applicable Pricing Supplement, in respect of any London Business Day "$_i$", the SONIA Reference Rate for that day;

"**SONIA Observation Period**" means, for the relevant Distribution Accrual Period, the period from (and including) the date falling "*x*" London Business Days prior to the first day of such Distribution Accrual Period (and the first Distribution Accrual Period shall begin on and include the Distribution Commencement Date) and ending on (but excluding) the date falling "*x*" London Business Days prior to the Distribution Payment Date at the end of such Distribution Accrual Period (or the date falling "*x*" London Business Days prior to such earlier date, if any, on which the Perpetual Capital Securities become due and payable);

"**SONIA Reference Rate**" means, in respect of any London Business Day, a reference rate equal to the daily SONIA rate for such London Business Day as provided by the administrator of SONIA to authorized distributors and as

then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorized distributors (on the London Business Day immediately following such London Business Day); and

"***x***" means five London Business Days (or such other number of London Business Days in the SONIA Observation Lookback Days as specified in the applicable Pricing Supplement).

If, subject to Condition 4(l)(i), in respect of any London Business Day in the relevant SONIA Observation Period, the Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) determines that the SONIA Reference Rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorized distributors, such SONIA reference rate shall be:

(I) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at 5.00 p.m. (or, if earlier, close of business) on the relevant London Business Day; plus

(II) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

Notwithstanding the paragraph above, and without prejudice to Condition 4(l)(i), in the event the Bank of England publishes guidance as to:

(A) how the SONIA Reference Rate is to be determined; or

(B) any rate that is to replace the SONIA Reference Rate,

the Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution as specified in the applicable Pricing Supplement, and in consultation with the Issuer) shall, to the extent that it is reasonably practicable, follow such guidance in order to determine the SONIA rate for the purpose of the relevant Series of Perpetual Capital Securities for so long as the SONIA Reference Rate is not available or has not been published by the authorized distributors.

In the event that the Rate of Distribution cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement), subject to Condition 4(l)(i), the Rate of Distribution shall be:

(I) that determined as at the last preceding Distribution Determination Date (though substituting, where a different Margin or Maximum Rate of Distribution or Minimum Rate of Distribution is to be applied to the relevant Distribution Accrual Period from that which applied to the last preceding Distribution Accrual Period, the Margin or Maximum Rate of Distribution or Minimum Rate of Distribution (as specified in the

applicable Pricing Supplement) relating to the relevant Distribution Accrual Period in place of the Margin or Maximum Rate of Distribution or Minimum Rate of Distribution relating to that last preceding Distribution Accrual Period); or

(II) if there is no such preceding Distribution Determination Date, the initial Rate of Distribution which would have been applicable to such Series of Perpetual Capital Securities for the first Distribution Accrual Period had the Perpetual Capital Securities been in issue for a period equal in duration to the scheduled first Distribution Accrual Period but ending on (and excluding) the Distribution Commencement Date (but applying the Margin and any Maximum Rate of Distribution or Minimum Rate of Distribution applicable to the first Distribution Accrual Period).

(y) If SONIA Index ("**SONIA Index**") is specified in the applicable Pricing Supplement as the relevant SONIA Benchmark, the SONIA Benchmark for each Distribution Accrual Period shall be equal to the rate of return of a daily compound interest investment during the SONIA Observation Period corresponding to such Distribution Accrual Period (with the daily SONIA rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the Distribution Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left(\frac{SONIA\ Compounded\ Index_{END}}{SONIA\ Compounded\ Index_{START}} - 1\right) \times \left(\frac{365}{d}\right)$$

provided, however, that, subject to Condition 4(l)(i), if the SONIA Compounded Index Value is not available in relation to any Distribution Accrual Period on the Relevant Screen Page for the determination of either SONIA Compounded $\text{Index}_{\text{START}}$ or SONIA Compounded $\text{Index}_{\text{END}}$, the Rate of Distribution shall be calculated for such Distribution Accrual Period on the basis of Compounded Daily SONIA and using the "SONIA Observation Shift" method (as set out in Condition 4(b)(iii)(C)(x)).

In the formula above:

"***d***" means the number of calendar days in the relevant SONIA Observation Period;

"**London Business Day**", means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"***p***" means, for any Distribution Accrual Period, five London Business Days (or such other number of London Business Days as specified in the applicable Pricing Supplement);

"**SONIA Observation Period**" means, in respect of a Distribution Accrual Period, the period from and including the date falling "p" London Business Days prior to the first day of such Distribution Accrual Period (and the first Distribution Accrual Period shall begin on and include the Distribution Commencement Date) and ending on (but excluding) the date which is "p" London Business Days prior to the Distribution Payment Date for such Distribution Accrual Period (or the date falling "p" London Business Days prior to such earlier date, if any, on which the Perpetual Capital Securities become due and payable);

"**SONIA Compounded Index**" means, in respect of a Distribution Accrual Period, the index known as the SONIA Compounded Index administered by the Bank of England (or any successor administrator thereof);

"**SONIA Compounded Index$_{START}$**" means the SONIA Compounded Index Value on the date which is "p" London Business Days preceding the first day of such Distribution Accrual Period (or in the first Distribution Accrual Period, the Distribution Commencement Date);

"**SONIA Compounded Index$_{END}$**" means, in respect of a Distribution Accrual Period, the SONIA Compounded Index Value on the date which is "p" London Business Days preceding (i) the Distribution Payment Date of such Distribution Accrual Period, or (ii) the date on which the relevant Series of Perpetual Capital Securities becomes due and payable; and

"**SONIA Compounded Index Value**" means, in relation to any London Business Day, the value of the SONIA Compounded Index as published by authorized distributors on the Relevant Screen Page on such London Business Day or, if the value of the SONIA Compounded Index cannot be obtained from such authorized distributors, as published on the Bank of England's Website at www.bankofengland.co.uk/boeapps/database/ (or such other page or website as may replace such page for the purposes of publishing the SONIA Compounded Index) on the next following London Business Day.

(z) If the relevant Series of Perpetual Capital Securities become due and payable in accordance with Condition 11, the final Distribution Determination Date shall, notwithstanding any Distribution Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such Perpetual Capital Securities became due and payable (with corresponding adjustments being deemed to be made to the Compounded Daily SONIA formula) and the Rate of Distribution on such Perpetual Capital Securities shall, for so long as any such Perpetual Capital Security remains outstanding, be that determined on such date.

(D) Screen Rate Determination for Floating Rate Perpetual Capital Securities where the Reference Rate is specified as being SOFR Benchmark

Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Distribution is to be determined where the Reference Rate is SOFR Benchmark, the Rate of Distribution for each Distribution Accrual Period will, subject as provided

below, be equal to the relevant SOFR Benchmark plus or minus the Margin (if any) in accordance with Condition 4(d), all as determined by the Calculation Agent on the relevant Distribution Determination Date.

The "**SOFR Benchmark**" will be determined based on Compounded Daily SOFR or SOFR Index, as follows (subject in each case to Condition 4(l)):

(x) If Compounded Daily SOFR ("**Compounded Daily SOFR**") is specified in the applicable Pricing Supplement as the manner in which the SOFR Benchmark will be determined, the SOFR Benchmark for each Distribution Accrual Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant Distribution Accrual Period (where "SOFR Observation Lag" or "SOFR Payment Delay" is specified in the applicable Pricing Supplement to determine Compounded Daily SOFR) or the SOFR Observation Period (where "SOFR Observation Shift" is specified in the applicable Pricing Supplement to determine Compounded Daily SOFR).

Compounded Daily SOFR shall be calculated by the Calculation Agent in accordance with one of the formulas referenced below depending upon which is specified as applicable in the applicable Pricing Supplement:

(i) SOFR Observation Lag:

$$\left(\prod_{i=1}^{d_o}\left(1+\frac{SOFR_{i-x\,USBD}\times n_i}{360}\right)-1\right)\times\frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the fifth decimal place, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

"**$SOFR_{i\text{-}xUSBD}$**" for any U.S. Government Securities Business Day "i" in the relevant Distribution Accrual Period, is equal to the SOFR reference rate for the U.S. Government Securities Business Day falling the number of Lookback Days prior to that U.S. Government Securities Business Day "i";

"**Lookback Days**" means five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement);

"**d**" means the number of calendar days in the relevant Distribution Accrual Period;

"**d_o**" for any Distribution Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Distribution Accrual Period;

"$_i$" means a series of whole numbers ascending from one to d_o, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Distribution Accrual Period; and

"**n_i**" for any U.S. Government Securities Business Day "i" in the relevant Distribution Accrual Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day "i" up to (but excluding) the following U.S. Government Securities Business Day for which $SOFR_{i\text{-}xUSBD}$ applies.

(ii) SOFR Observation Shift:

$$\left(\prod_{i=1}^{d_o}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right)\times\frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the fifth decimal place, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

"**$SOFR_i$**" for any U.S. Government Securities Business Day "i" in the relevant SOFR Observation Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day "i";

"**SOFR Observation Period**" means, in respect of each Distribution Accrual Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of the relevant Distribution Accrual Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Distribution Period Date for such Distribution Accrual Period;

"**SOFR Observation Shift Days**" means five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement);

"**d**" means the number of calendar days in the relevant SOFR Observation Period;

"**d_o**" for any SOFR Observation Period, means the number of U.S. Government Securities Business Days in the relevant SOFR Observation Period;

"$_i$" means a series of whole numbers ascending from one to d_o, representing each U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant SOFR Observation Period; and

"**n_i**" for any U.S. Government Securities Business Day "i" in the relevant SOFR Observation Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day "i" up to (but excluding) the following U.S. Government Securities Business Day for which $SOFR_i$ applies.

(iii) SOFR Payment Delay:

$$\left(\prod_{i=1}^{d_o}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right)\times\frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the fifth decimal place, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

"**$SOFR_i$**" for any U.S. Government Securities Business Day "i" in the relevant Distribution Accrual Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day "i";

"**Distribution Payment Date**" shall be the number of Distribution Payment Delay Days following each Distribution Period Date; provided that if the Issuer elects to redeem the Perpetual Capital Securities, the Distribution Payment Date will be the relevant Optional Redemption Date;

"**Distribution Payment Delay Days**" means the number of Business Days as specified in the applicable Pricing Supplement;

"**d**" means the number of calendar days in the relevant Distribution Accrual Period;

"**d_o**" for any Distribution Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Distribution Accrual Period;

"$_i$" means a series of whole numbers ascending from one to d_o, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Distribution Accrual Period; and

"**n_i**" for any U.S. Government Securities Business Day "i" in the relevant Distribution Accrual Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day "i" up to (but excluding) the following U.S. Government Securities Business Day for which $SOFR_i$ applies.

For the purposes of calculating Compounded Daily SOFR with respect to the final Distribution Accrual Period (if the Issuer elects to redeem the Perpetual Capital Securities), where SOFR Payment Delay is specified in the applicable Pricing Supplement, the SOFR reference rate for each U.S. Government Securities Business Day in the period from (and including) the SOFR Rate Cut-Off Date to (but excluding) the relevant Optional Redemption Date shall be the SOFR reference rate in respect of such SOFR Rate Cut-Off Date.

The following defined terms shall have the meanings set out below for purpose of this Condition 4(b)(iii)(D)(x):

"**Bloomberg Screen SOFRRATE Page**" means the Bloomberg screen designated "SOFRRATE" or any successor page or service;

"**Reuters Page USDSOFR=**" means the Reuters page designated "USDSOFR=" or any successor page or service;

"**SOFR**" means, with respect to any U.S. Government Securities Business Day, the reference rate determined by the Calculation Agent in accordance with the following provision:

(i) the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Bloomberg Screen SOFRRATE Page; the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Reuters Page USDSOFR=; or the Secured Overnight Financing Rate published at the SOFR Determination Time on the SOFR Administrator's Website; or

(ii) if the reference rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the SOFR reference rate shall be the reference rate published on the SOFR Administrator's Website for the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator's Website; or

(iii) in the event that the Rate of Distribution cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement), subject to Condition 4(l), the Rate of Distribution shall be:

(1) that determined as at the last preceding Distribution Determination Date (though substituting, where a different Margin or Maximum Rate of Distribution or Minimum Rate of Distribution is to be applied to the relevant Distribution Accrual Period from that which applied to the last preceding Distribution Accrual Period, the Margin or Maximum Rate of Distribution or Minimum Rate of Distribution (as specified in the applicable Pricing Supplement) relating to the relevant Distribution Accrual Period in place of the Margin or Maximum Rate of Distribution or Minimum Rate of Distribution relating to that last preceding Distribution Accrual Period); or

(2) if there is no such preceding Distribution Determination Date, the initial Rate of Distribution which would have been applicable to such Series of Perpetual Capital Securities for the first Distribution Accrual Period had the Perpetual Capital Securities been in issue for a period equal in duration to the scheduled first Distribution Accrual Period but ending on (and excluding) the Distribution Commencement Date (but applying the Margin and any Maximum Rate of Distribution or Minimum Rate of Distribution applicable to the first Distribution Accrual Period); or

(iii) if the reference rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 4(l) shall apply;

"**SOFR Rate Cut-Off Date**" means the date that is a number of U.S. Government Securities Business Days prior to the end of each Distribution Accrual Period or the relevant Optional Redemption Date, as applicable, as specified in the applicable Pricing Supplement; and

"**SOFR Determination Time**" means approximately 3:00 p.m. (New York City time) on the immediately following U.S. Government Securities Business Day.

(y) If SOFR Index ("**SOFR Index**") is specified in the applicable Pricing Supplement, the SOFR Benchmark for each Distribution Accrual Period shall be equal to the compounded average of daily SOFR reference rates for each day during the relevant SOFR Observation Period as calculated by the Calculation Agent as follows:

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1\right) \times \left(\frac{360}{d_c}\right)$$

with the resulting percentage being rounded, if necessary, to the fifth decimal place, with 0.000005 per cent. being rounded upwards (e.g., 9.876541 per cent. (or 0.09876541) being rounded down to 9.87654 per cent. (or 0.0987654) and 9.876545 per cent. (or 0.09876545) being rounded up to 9.87655 per cent. (or 0.0987655)) and where:

"**SOFR Index**" means, in respect of a U.S. Government Securities Business Day, the SOFR Index value as published on the SOFR Administrator's Website at the SOFR Index Determination Time on such U.S. Government Securities Business Day, *provided that*:

(i) if the value specified above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the "SOFR Index" shall be calculated on any Distribution Determination Date with respect to a Distribution Accrual Period, in accordance with the Compounded Daily SOFR formula described above in Condition 4(b)(iii)(D)(x)(ii) "SOFR Observation Shift"; or

(ii) if the value specified above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 4(l) shall apply;

"**SOFR Index$_{End}$**" means, in respect of a Distribution Accrual Period, the SOFR Index value on the date that is five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days specified in the applicable Pricing Supplement) prior to the Distribution Period Date for such Distribution Accrual Period;

"**SOFR Index$_{Start}$**" means, in respect of a Distribution Accrual Period, the SOFR Index value on the date that is five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days specified in the applicable Pricing Supplement) prior to the first day of such Distribution Accrual Period;

"**SOFR Index Determination Time**" means, in relation to any U.S. Government Securities Business Day, approximately 3:00 p.m. (New York City time) on such U.S. Government Securities Business Day;

"**SOFR Observation Period**" means, in respect of a Distribution Accrual Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of such Distribution Accrual Period to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Distribution Period Date for such Distribution Accrual Period;

"**SOFR Observation Shift Days**" means five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days as specified in the applicable Pricing Supplement); and

"**d_c**" means the number of calendar days in the applicable SOFR Observation Period.

The following defined terms shall have the meanings set out below for purpose of this Condition 4(b)(iii)(D):

"**SOFR Administrator's Website**" means the website of the Federal Reserve Bank of New York, or any successor source;

"**SOFR Benchmark Replacement Date**" means the date of occurrence of a Benchmark Event with respect to the then-current SOFR Benchmark;

"**SOFR Benchmark Transition Event**" means the occurrence of a Benchmark Event with respect to the then-current SOFR Benchmark; and

"**U.S. Government Securities Business Day**" means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

If the relevant Series of Perpetual Capital Securities become due and payable in accordance with Condition 11, the final Distribution Determination Date shall, notwithstanding any Distribution Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such Perpetual Capital Securities became due and payable and the Rate of Distribution on such Perpetual Capital Securities shall, for so long as any such Perpetual Capital Securities remains outstanding, be that determined on such date.

(c) **Accrual of Distribution**: Subject to Condition 5, Distribution shall cease to accrue on each Perpetual Capital Security on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event Distribution shall continue to accrue (both before and after judgment) at the Rate of Distribution in the manner provided in this Condition 4 to the Relevant Date (as defined in Condition 9).

(d) **Margin, Maximum/Minimum Rates of Distribution and Redemption Amounts and Rounding**:

(i) If any Margin is specified in the applicable Pricing Supplement (either (x) generally, or (y) in relation to one or more Distribution Accrual Periods), an adjustment shall be made to all Rates of Distribution, in the case of (x), or the Rates of Distribution for the specified Distribution Accrual Periods, in the case of (y), calculated in accordance with Condition 4(b) by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin, subject always to Condition 4(d)(ii).

(ii) If any Maximum or Minimum Rate of Distribution or Redemption Amount is specified in the applicable Pricing Supplement, then any Rate of Distribution or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the fifth decimal place (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "**unit**" means the lowest amount of such currency that is available as legal tender in the country or countries of such currency.

(e) **Calculations**: The amount of Distribution payable per calculation amount specified in the applicable Pricing Supplement (or, if no such amount is so specified, the Specified Denomination) (the "**Calculation Amount**") in respect of any Perpetual Capital Security for any Distribution Accrual Period shall be equal to the product of the Rate of Distribution, the Calculation Amount specified in the applicable Pricing Supplement, and the Day Count Fraction specified in the applicable Pricing Supplement for such Distribution Accrual Period, unless a Distribution Amount (or a formula for its calculation) is applicable to such Distribution Accrual Period, in which case the amount of Distribution payable per Calculation Amount in respect of such Perpetual Capital Security for such Distribution Accrual Period shall equal such Distribution Amount (or be calculated in accordance with such formula). Where any Distribution Period comprises two or more Distribution Accrual Periods, the amount of Distribution payable per Calculation Amount in respect of such Distribution Period shall be the sum of the Distribution Amounts payable in respect of each of those Distribution Accrual Periods. In respect of any other period for which Distribution is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which Distribution is required to be calculated.

The amount payable in respect of the aggregate nominal amount of Perpetual Capital Securities represented by a Global Certificate shall be made in accordance with the methods of calculation provided for in these Conditions, ***save that*** *the calculation is made in respect of the total aggregate amount of the Perpetual Capital Securities represented by a Global Certificate, together with such other sums and additional amounts (if any) as may be payable under these Conditions.*

(f) **Determination and Publication of Reset Distribution Rate**: The Calculation Agent shall, on the second Business Day prior to each Reset Date, calculate the applicable Reset Distribution Rate and cause the Reset Distribution Rate to be notified to the Trustee, the Issuer, each of the Paying Agents, the Securityholders, any other Calculation Agent appointed in respect of the Perpetual Capital Securities that is to make a further calculation upon receipt of such information and, if the Perpetual Capital Securities are listed on a stock exchange and the rules of such exchange or other relevant authority so require, to such exchange or other relevant authority as soon as possible after their determination but in no event later than:

(i) the commencement of the relevant Distribution Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Distribution and Distribution Amount; or

(ii) in all other cases, the fourth Business Day after such determination.

The determination of any rate, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(g) **Determination and Publication of Rates of Distribution, Distribution Amounts, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts**: The Calculation Agent shall, as soon as practicable on each Distribution Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Distribution Amounts for the relevant Distribution Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount specified in the applicable Pricing Supplement, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Distribution and the Distribution Amounts for the relevant Distribution Accrual Period and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount or any Optional Redemption Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Securityholders, any other Calculation Agent appointed in respect of the Perpetual Capital Securities that is to make a further calculation upon receipt of such information and, if the Perpetual Capital Securities are listed on a stock exchange and the rules of such exchange or other relevant authority so require, the Issuer shall cause the calculations to be notified to such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Distribution Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Distribution and Distribution Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Distribution Payment Date or Distribution Period Date is subject to adjustment pursuant to Condition 4(b)(ii), the Distribution Amounts and the Distribution Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Distribution Period. If the Perpetual Capital Securities become due and payable under Condition 11, the accrued Distribution and the Rate of Distribution payable in respect of the Perpetual

Capital Securities shall nevertheless continue to be calculated as previously in accordance with this Condition 4(h) but no publication of the Rate of Distribution or the Distribution Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(h) **Determination or Calculation by an agent of the Issuer**: If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Distribution for a Distribution Accrual Period or any Distribution Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, the Issuer shall appoint an agent on its behalf to do so and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, such agent shall apply the foregoing provisions of this Condition 4, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as, in its absolute discretion, it shall deem fair and reasonable in all the circumstances. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by such agent pursuant to this Condition 4(h) shall (in the absence of manifest error) be final and binding upon all parties.

(i) **Definitions**: In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Business Day**" means:

(i) if the Specified Currency is not Singapore dollars, Euro or Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial center for such currency; and/or

(ii) if the Specified Currency is Euro, a day on which the TARGET System is operating (a "**TARGET Business Day**"); and/or

(iii) if the Specified Currency is Renminbi:

(A) and the Perpetual Capital Securities are cleared through CMU, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong;

(B) and the Perpetual Capital Securities are cleared through CDP, a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Singapore and Hong Kong; and

(C) the Perpetual Capital Securities are cleared through Euroclear and Clearstream, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in London;

(iv) if the Specified Currency is Singapore dollars:

(A) and the Perpetual Capital Securities are cleared through CDP, a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore; and

(B) the Perpetual Capital Securities are cleared through Euroclear and Clearstream, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in London; and/or

(v) in the case of a Specified Currency and/or one or more Business Centers specified in the applicable Pricing Supplement a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such Specified Currency in the Business Center(s) or, if no Specified Currency is indicated, generally in each of the Business Centers.

"**Day Count Fraction**" means, in respect of the calculation of an amount of Distribution on any Perpetual Capital Security for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting a Distribution Period or a Distribution Accrual Period, the "**Calculation Period**"):

(i) if "**Actual/Actual**" or "**Actual/Actual – ISDA**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "**Actual/365 (Fixed)**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365;

(iii) if "**Actual/360**" is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 360;

(iv) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] = [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

(v) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] = [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30;

(vi) if "**30E/360 (ISDA)**" is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] = [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"$\mathbf{D_2}$" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D2 will be 30;

(vii) if "**Actual/Actual-ICMA**" is specified in the applicable Pricing Supplement:

(A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

"**Determination Date**" means the date(s) specified as such in the applicable Pricing Supplement or, if none is so specified, the Distribution Payment Date(s); and "**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date.

"**Distribution Accrual Period**" means the period beginning on (and including) the Distribution Commencement Date and ending on (but excluding) the first Distribution Period Date and each successive period beginning on (and including) a Distribution Period Date and ending on (but excluding) the next succeeding Distribution Period Date.

"**Distribution Amount**" means:

(i) in respect of a Distribution Accrual Period, the amount of Distribution payable per Calculation Amount for that Distribution Accrual Period and which, in the case of Fixed Rate Perpetual Capital Securities, and unless otherwise specified in the applicable Pricing Supplement, shall mean the Fixed Distribution Amount or Broken Amount specified in the applicable Pricing Supplement as being payable on the Distribution Payment Date ending the Distribution Period of which such Distribution Accrual Period forms part; and

(ii) in respect of any other period, the amount of Distribution payable per Calculation Amount for that period.

"**Distribution Commencement Date**" means the Issue Date or such other date as may be specified in the applicable Pricing Supplement.

"**Distribution Determination Date**" means, in respect of a Rate of Distribution and Distribution Accrual Period, the date specified as such in the applicable Pricing Supplement or, if none is so specified:

(i) the first day of such Distribution Accrual Period if the Specified Currency is Sterling (and in such case only if the relevant Reference Rate is not SONIA Benchmark), Hong Kong dollars or Renminbi;

(ii) the day falling two Business Days in the relevant Financial Center for the Specified Currency prior to the first day of such Distribution Accrual Period if the Specified Currency is neither Sterling nor Euro nor Hong Kong dollars nor Renminbi and if the relevant Reference Rate is not SONIA Benchmark, SOFR Benchmark or SORA Benchmark;

(iii) the day falling two TARGET Business Days prior to the first day of such Distribution Accrual Period if the Specified Currency is Euro;

(iv) (where SONIA Benchmark is specified in the applicable Pricing Supplement as the Reference Rate) the fifth London Business Day (or as otherwise specified in the applicable Pricing Supplement) prior to the last day of each Distribution Accrual Period;

(v) (where SOFR Benchmark is specified in the applicable Pricing Supplement as the Reference Rate and where SOFR Observation Lag or SOFR Observation Shift is specified as applicable in the applicable Pricing Supplement to determine Compounded Daily SOFR or where SOFR Index is specified as applicable in the applicable Pricing Supplement) the fifth U.S. Government Securities Business Day (or as otherwise specified in the applicable Pricing Supplement) prior to the last day of each Distribution Accrual Period;

(vi) (where SOFR Benchmark is specified in the applicable Pricing Supplement as the Reference Rate and where SOFR Payment Delay is specified as applicable in the applicable Pricing Supplement to determine Compounded Daily SOFR) the Distribution Period Date at the end of each Distribution Accrual Period, *provided* that the Distribution Determination Date with respect to the final Distribution Accrual Period will be the U.S. Government Securities Business Day immediately following the relevant SOFR Rate Cut-Off Date; and

(vii) (where SORA Benchmark is specified in the applicable Pricing Supplement as the Reference Rate) the meaning given to it in Conditions 4(k)(ii)(A)(z)(1), 4(k)(ii)(A)(z)(2) or 4(k)(ii)(A)(z)(3), as applicable.

"**Distribution Period**" means the period beginning on (and including) the Distribution Commencement Date and ending on (but excluding) the first Distribution Payment Date and each successive period beginning on (and including) a Distribution Payment Date and ending on (but excluding) the next succeeding Distribution Payment Date.

"**Distribution Period Date**" means each Distribution Payment Date unless otherwise specified in the applicable Pricing Supplement.

"**Euro**" means the currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.

"**Euro-zone**" means the region comprising member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.

"**Hong Kong dollars**" means the lawful currency of Hong Kong.

"**ISDA Definitions**" means the latest version of the 2021 ISDA Distribution Rate Derivatives Definitions, as published by the International Swaps and Derivatives Association, Inc. and in respect of the Perpetual Capital Securities as at the Issue Date for the first Tranche of the Perpetual Capital Securities, unless otherwise specified in the applicable Pricing Supplement.

"**Rate of Distribution**" means the rate of Distribution payable from time to time in respect of this Perpetual Capital Security and that is either specified or calculated in accordance with the provisions in the applicable Pricing Supplement.

"**Reference Banks**" means (i) in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market and (ii) in the case of a determination of HIBOR, the principal Hong Kong office of four major banks in the Hong Kong inter-bank market, in each case selected by the Issuer or as specified in the applicable Pricing Supplement.

"**Reference Rate**" means the rate specified as such in the applicable Pricing Supplement.

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service as may be specified in the applicable Pricing Supplement or such other page, section, caption, column or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate.

"**Relevant Time**" means, with respect to any Distribution Determination Date, the local time in the relevant Financial Center specified in the applicable Pricing Supplement or, if none is specified, the local time in the relevant financial center at which it is customary to determine bid and offered rates in respect of deposits in the relevant currency in the inter-bank market in the relevant financial center or, if no such customary local time exists, 11:00 a.m. in the relevant financial center and, for the purpose of this definition "**local time**" means, with respect to the Euro-zone as a relevant financial center, Central European Time.

"**Renminbi**" and "**CNY**" means the lawful currency of the PRC (as defined herein).

"**Specified Currency**" means the currency specified as such in the applicable Pricing Supplement or, if none is specified, the currency in which the Perpetual Capital Securities are denominated.

"**Sterling**" means pound sterling, the lawful currency of the United Kingdom.

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on November 19, 2007 or any successor thereto.

"**Yen**" means the lawful currency of Japan.

(j) **Calculation Agent**: The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the applicable Pricing Supplement and for so long as any Perpetual Capital Security is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Perpetual Capital Securities, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under these Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Distribution for a Distribution Accrual Period or to calculate any Distribution Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the inter-bank market (or, if appropriate, money, swap or

over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(k) **Distribution on Floating Perpetual Capital Securities (for Singapore Dollar Perpetual Capital Securities)**: Unless otherwise specified in the applicable Pricing Supplement, the following provisions will apply to Singapore Dollar Perpetual Capital Securities which are specified in the applicable Pricing Supplement as being Floating Rate Perpetual Capital Securities. Terms used in this Condition 4(k) are defined in Condition 4(k)(vi).

(i) *Distribution Payment Dates*: Subject to Condition 5, each Floating Rate Perpetual Capital Security confers a right to receive Distribution on its Calculation Amount from and including the Distribution Commencement Date in respect thereof and as shown on the face of such Floating Rate Perpetual Capital Security, and such Distribution will be payable in arrear on each date ("**Distribution Payment Date**") which (save as mentioned in this Condition 4(k)) falls the number of months specified as the Distribution Period on the face of the Perpetual Capital Security (the "**Specified Number of Months**") after the preceding Distribution Payment Date or, in the case of the first Distribution Payment Date, after the Distribution Commencement Date (and which corresponds numerically with such preceding Distribution Payment Date or Distribution Commencement Date, as the case may be). If any Distribution Payment Date would otherwise fall on a day which is not a business day (as defined below), it shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month. In any such case as aforesaid or if there is no date in the relevant month which corresponds numerically with the preceding Distribution Payment Date or, as the case may be, the Distribution Commencement Date (a) the Distribution Payment Date shall be brought forward to the immediately preceding business day and (b) each subsequent Distribution Payment Date shall be the last business day of the month which is the last of the Specified Number of Months after the month in which the preceding Distribution Payment Date or, as the case may be, the Distribution Commencement Date shall have fallen.

The period beginning on (and including) the Distribution Commencement Date and ending on (but excluding) the first Distribution Payment Date and each successive period beginning on (and including) a Distribution Payment Date and ending on (but *excluding*) the next succeeding Distribution Payment Date is herein called an "Distribution Period" and "business day" in this Condition 4(k) means a day (other than Saturday or Sunday) on which commercial banks are open for business in Singapore.

Distribution will cease to accrue on each Floating Rate Perpetual Capital Security from the due date for redemption thereof unless, upon due presentation thereof, payment of principal (or the Redemption Amount, as the case may be) is improperly withheld or refused, in which event Distribution will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(k) and the Agency Agreement to the Relevant Date.

(ii) *Rate of Distribution for Floating Rate Perpetual Capital Securities:*

(A) Each Floating Rate Perpetual Capital Security bears Distribution at a floating rate determined by reference to a benchmark as stated on the face of such Floating Rate Perpetual Capital Security and the applicable Pricing Supplement, being the Singapore Overnight Rate Average ("**SORA**") Benchmark (in which case such Perpetual Capital Security will be a SORA Perpetual Capital Security) or in any case such other benchmark as is set out on the face of such Perpetual Capital Security.

Such floating rate may be adjusted by adding or subtracting the Margin (if any) stated on the face of such Perpetual Capital Security. The "Margin" is the percentage rate per annum specified on the face of such Perpetual Capital Security as being applicable to the rate of Distribution for such Perpetual Capital Security. The rate of Distribution so calculated shall be subject to Condition 4(k)(vi).

(z) in the case of Floating Rate Perpetual Capital Securities which are specified in the applicable Pricing Supplement as being SORA Perpetual Capital Securities, the Rate of Distribution for each Distribution Accrual Period will, subject as provided below, be equal to the relevant SORA Benchmark (as defined below) plus or minus the Margin

The "**SORA Benchmark**" will be determined based on Compounded Daily SORA or SORA Index Average, as follows (subject in each case to Condition 4(l)(iii):

If Compounded Daily SORA ("**Compounded Daily SORA**") is specified in the applicable Pricing Supplement, the SORA Benchmark for each Distribution Accrual Period shall be equal to the value of the SORA rates for each day during the relevant Distribution Accrual Period (where Lookback is specified in the applicable Pricing Supplement to determine Compounded Daily SORA) or Observation Period (where Backward Shifted Observation Period is specified in the applicable Pricing Supplement to determine Compounded Daily SORA).

Compounded Daily SORA shall be calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the relevant Distribution Determination Date in accordance with one of the formulas referenced below depending upon which is specified in the applicable Pricing Supplement:

(1) where Lookback is specified in the applicable Pricing Supplement:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_{i-xSBD}\times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

"**Compounded Daily SORA**" means, with respect to a Distribution Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such

Distribution Accrual Period (with the reference rate for the calculation of distributions being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the Distribution Determination Date, with the resulting percentage being rounded, if necessary, to the fourth decimal place (0.0001 %), with 0.00005% being rounded upwards.

where:

"**d**" is the number of calendar days in the relevant Distribution Accrual Period;

"$\mathbf{d_o}$", for any Distribution Accrual Period, is the number of Singapore Business Days in the relevant Distribution Accrual Period;

"$_{\mathbf{i}}$", for the relevant Distribution Accrual Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Distribution Accrual Period to the last Singapore Business Day in such Distribution Accrual Period;

"**Distribution Determination Date**" means, with respect to a Rate of Distribution and Distribution Accrual Period, the date falling one Singapore Business Day after the end of each Observation Period;

"$\mathbf{n_i}$", for any day "$_i$", is the number of calendar days from and including such day "$_i$" up to but excluding the following Singapore Business Day;

"**Singapore Business Days**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**Observation Period**" means, for the relevant Distribution Accrual Period, the period from, and including, the date falling five Singapore Business Days (or, if higher, such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the first day of such Distribution Accrual Period (and the first Distribution Accrual Period shall begin on and include the Distribution Commencement Date) and to, but excluding, the date falling five Singapore Business Days (or, if higher, such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the Distribution Payment Date at the end of such Distribution Accrual Period (or the date falling five Singapore Business Days (or, if higher, such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to such earlier date, if any, on which the Perpetual Capital Securities become due and payable);

"**SORA**" means, in respect of any Singapore Business Day "i", a reference rate equal to the daily Singapore Overnight Rate Average provided by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at http://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorized distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such day "i"; and

"**$SORA_{i-x\ sbd}$**", in respect of any Singapore Business Day falling in the relevant Observation Period, the reference rate equal to SORA in respect of the Singapore Business Day falling five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the relevant Singapore Business Day "i".

(2) where Backward Shifted Observation Period is specified in the applicable Pricing Supplement:

"**Compounded Daily SORA**" means, with respect to a Distribution Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Distribution Accrual Period (with the reference rate for the calculation of distributions being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the Distribution Determination Date, with the resulting percentage being rounded, if necessary, to the fourth decimal place (0.0001 %), with 0.00005% being rounded upwards.

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SORA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" is the number of calendar days in the relevant Observation Period;

"**d_o**", for any Distribution Accrual Period, is the number of Singapore Business Days in the relevant Observation Period;

"$_i$", for the relevant Distribution Accrual Period, is a series of whole numbers from one to d_o, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Observation Period to the last Singapore Business Day in such Observation Period;

"**Distribution Determination Date**" means, with respect to a Rate of Distribution and Distribution Accrual Period, the date falling one Singapore Business Day after the end of each Observation Period;

"$\mathbf{n}_i$", for any day "$_i$", is the number of calendar days from and including such day "$_i$" up to but excluding the following Singapore Business Day;

"**Singapore Business Days**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**Observation Period**" means, for the relevant Distribution Accrual Period, the period from, and including, the date falling five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the first day of such Distribution Accrual Period (and the first Distribution Accrual Period shall begin on and include the Distribution Commencement Date) and to, but excluding, the date falling five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to the Distribution Payment Date at the end of such Distribution Accrual Period (or the date falling five Singapore Business Days (or such other number of Singapore Business Days specified in the applicable Pricing Supplement) prior to such earlier date, if any, on which the Perpetual Capital Securities become due and payable);

"**SORA**" means, in respect of any Singapore Business Day "i", a reference rate equal to the daily Singapore Overnight Rate Average provided by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at http://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorized distributors) (the "**Relevant Screen Page**") on the Singapore Business Day immediately following such day "i"; and

"$\mathbf{SORA_i}$" means, in respect of any Singapore Business Day falling in the relevant Observation Period, the reference rate equal to SORA in respect of that Singapore Business Day.

For the avoidance of doubt, the formula for the calculation of Compounded Daily SORA only compounds SORA in respect of any Singapore Business Day. SORA applied to a day that is not a Singapore Business Day will be taken by applying SORA for the previous Singapore Business Day but without compounding.

(3) For each Floating Rate Perpetual Capital Security where the Reference Rate is specified as being SORA Index Average ("**SORA Index Average**"), the SORA Benchmark for each Distribution Accrual Period shall be equal to the value of the SORA rates for each day during the relevant Distribution Accrual Period as calculated by the Calculation Agent (or such other party

responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement) on the relevant Distribution Determination Date as follows:

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1\right) \times \left(\frac{360}{d_c}\right)$$

and the resulting percentage being rounded if necessary to the fourth decimal place (0.0001%), with 0.00005% being rounded upwards, where:

"**d_c**" means the number of calendar days from (and including) the SORA $Index_{Start}$ to (but excluding) the SORA $Index_{End}$;

"**Singapore Business Days**" or "**SBD**" means a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore;

"**SORA Index**" means, in relation to any Singapore Business Day, the SORA Index as published by the Monetary Authority of Singapore (or a successor administrator), as the administrator of the benchmark, on the Monetary Authority of Singapore's website currently at http://www.mas.gov.sg, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorized distributors) at the SORA Index Determination Time, *provided that* if the SORA Index does not so appear at the SORA Index Determination Time, then:

(i) if a SORA Index Cessation Event has not occurred, the "SORA Index Average" shall be calculated on any Distribution Determination Date with respect to a Distribution Accrual Period, in accordance with the Compounded Daily SORA formula described above in Condition 4(k)(ii)(A)(z)(2), and the Observation Period shall be calculated with reference to the number of Singapore Business Days preceding the first date of the relevant Distribution Accrual Period that is used in the definition of SORA $Index_{Start}$ as specified in the applicable Pricing Supplement; or

(ii) if a SORA Index Cessation Event has occurred, the provisions set forth in Condition 4(l)(iii) shall apply;

"**SORA $Index_{End}$**" means the SORA Index value on the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the last date of the relevant Distribution Accrual Period;

"**SORA $Index_{Start}$**" means the SORA Index value on the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the first date of the relevant Distribution Accrual Period; and

"**SORA Index Determination Time**" means, in relation to any Singapore Business Day, approximately 3:00 p.m. (Singapore time) on such Singapore Business Day.

(4) If, subject to Condition 4(l), by 5:00 p.m., Singapore time, on the Singapore Business Day immediately following such day "i", SORA in respect of such day "i" has not been published and a SORA Index Cessation Event has not occurred, then SORA for that day "i" will be SORA as published in respect of the first preceding Singapore Business Day for which SORA was published.

(5) In the event that the Rate of Distribution cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other party responsible for the calculation of the Rate of Distribution, as specified in the applicable Pricing Supplement), subject to Condition 4(l), the Rate of Distribution shall be:

(A) that determined as at the last preceding Distribution Determination Date (though substituting, where a different Margin or Maximum Rate of Distribution or Minimum Rate of Distribution is to be applied to the relevant Distribution Accrual Period from that which applied to the last preceding Distribution Accrual Period, the Margin or Maximum Rate of Distribution or Minimum Rate of Distribution (as specified in the applicable Pricing Supplement) relating to the relevant Distribution Accrual Period in place of the Margin or Maximum Rate of Distribution or Minimum Rate of Distribution relating to that last preceding Distribution Accrual Period); or

(B) if there is no such preceding Distribution Determination Date, the initial Rate of Distribution which would have been applicable to such Series of Perpetual Capital Securities for the first Distribution Accrual Period had the Perpetual Capital Securities been in issue for a period equal in duration to the scheduled first Distribution Accrual Period but ending on (and excluding) the Distribution Commencement Date (but applying the Margin and any Maximum Rate of Distribution or Minimum Rate of Distribution applicable to the first Distribution Accrual Period).

If the relevant Series of Perpetual Capital Securities become due and payable in accordance with Condition 11, the final Distribution Determination Date shall, notwithstanding any Distribution Determination Date specified in the applicable Pricing Supplement, be deemed to be the date on which such Perpetual Capital Securities became due and payable (with corresponding adjustments being deemed to be made to the applicable SORA Benchmark formula) and the Rate of Distribution on such Perpetual Capital Securities shall, for so long as any such Perpetual Capital Security remains outstanding, be that determined on such date.

(C) On the last day of each Distribution Period, the Issuer will pay Distribution on each Floating Rate Perpetual Capital Security to which such Distribution Period relates at the Rate of Distribution for such Distribution Period.

(iii) *Determination of Rate of Distribution and Calculation of Distribution Amounts*

The Calculation Agent will, at the Relevant Time on each Distribution Determination Date, determine the Rate of Distribution and calculate the amount of Distribution payable (the "**Distribution Amounts**") in respect of each denomination of the relevant Floating Rate Perpetual Capital Securities for the relevant Distribution Period. The Distribution Amounts shall be calculated by applying the Rate of Distribution to the Calculation Amount, multiplying such product by the actual number of days in the Distribution Period concerned, divided by the FRN Day Basis shown on the face of such Perpetual Capital Security and rounding the resultant figure to the nearest cent. The determination of the Rate of Distribution and the Distribution Amounts by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(iv) *Duration of Rate of Distribution and Distribution Amounts*

The Calculation Agent will cause the Rate of Distribution and the Distribution Amounts for each Distribution Period and the relevant Distribution Payment Date to be notified to the Issuing and Paying Agent, the Issuer and each of the Paying Agents and to be notified to Securityholders and, if the Perpetual Capital Securities are listed on a stock exchange and the rules of such exchange or other relevant authority so require, the Issuer shall cause the Rate of Distribution and the Distribution Amounts for each Distribution Period and the relevant Distribution Payment Date to be notified to such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Distribution Period, if determined prior to such time, in the case of notification to such exchange or other relevant authority, or (ii) in all other cases the fourth Relevant Business Day thereafter. The Distribution Amounts and the Distribution Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Distribution Period.

(v) *Calculation Agent and Reference Banks*

The Issuer will procure that, so long as any relevant Floating Rate Perpetual Capital Securities remains outstanding, there shall at all times be three Reference Banks and a Calculation Agent. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Distribution for any Distribution Period or to calculate the Distribution Amounts or the Redemption Amount, the Issuer will appoint the Singapore office of a leading bank or merchant bank engaged in the Singapore inter-bank market to act as such in its place and will notify such change(s) to the Securityholders. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(vi) *Definitions*

As used in this Condition 4(k):

"**Calculation Agent**" means the calculation agent designated for the relevant Perpetual Capital Securities;

"**Calculation Amount**" means the amount specified as such on the face of any Perpetual Capital Security, or if no such amount is so specified, the Denomination Amount of such Perpetual Capital Security as shown on the face thereof;

"**Distribution Commencement Date**" means, in the case of the first issue of a Perpetual Capital Security or Perpetual Capital Securities of a Series, the Issue Date or such other date as may be specified as the Distribution Commencement on the face of such Perpetual Capital Security and, in the case of a further issue of a Perpetual Capital Security or Perpetual Capital Securities of such Series, means the most recent Reference Date or, as the case may be, Distribution Payment Date in relation to such first issue next preceding the date on which such further Perpetual Capital Security or Perpetual Capital Securities are issued or if there is no such date, the Distribution Commencement Date in respect of such first issue;

"**Reference Banks**" means the principal Singapore office of three major banks in the Singapore Inter-bank market, selected by the Issuer or as specified in the applicable Pricing Supplement;

"**Relevant Time**" means 11.00 a.m. (Singapore time).

(l) **Benchmark Discontinuation**

(i) **Benchmark Discontinuation (General)**

Where the Pricing Supplement specifies this Condition 4(l)(i) as applicable:

(A) Independent Adviser

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Distribution (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer shall use its reasonable endeavors to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, or failing which, an Alternative Rate (in accordance with Condition 4(l)(i)(B)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 4(l)(i)(D)).

In making such determination, the Independent Adviser appointed pursuant to this Condition 4(l)(i) shall act in good faith as an expert and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, the Paying Agents, or the Securityholders for any determination made by it, pursuant to this Condition 4(l)(i).

If:

(i) the Issuer is unable to appoint an Independent Adviser; or

(ii) the Independent Adviser fails to determine a Successor Rate or, failing which, an Alternative Rate,

in accordance with this Condition 4(l)(i)(A) prior to the relevant Distribution Determination Date, the Rate of Distribution applicable to the next succeeding Distribution Accrual Period shall be equal to the Rate of Distribution last determined in relation to the Perpetual Capital Securities in respect of the immediately preceding Distribution Accrual Period. If there has not been a first Distribution Payment Date, the Rate of Distribution shall be the initial Rate of Distribution. Where a different Margin or Maximum or Minimum Rate of Distribution is to be applied to the relevant Distribution

Accrual Period from that which applied to the last preceding Distribution Accrual Period, the Margin or Maximum or Minimum Rate of Distribution relating to the relevant Distribution Accrual Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Distribution relating to that last preceding Distribution Accrual Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Distribution Accrual Period only and any subsequent Distribution Accrual Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 4(l)(i)(A).

(B) Successor Rate or Alternative Rate

If the Independent Adviser determines that:

(i) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Distribution (or the relevant component part thereof) for all future payments of distribution on the Perpetual Capital Securities (subject to the operation of this Condition 4(l)(i)); or

(ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Distribution (or the relevant component part thereof) for all future payments of distribution on the Perpetual Capital Securities (subject to the operation of this Condition 4(l)(i)).

(C) Adjustment Spread

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser (in consultation with the Issuer) is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread.

(D) Benchmark Amendments

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 4(l)(i) and the Independent Adviser (in consultation with the Issuer) determines

(i) that amendments to these Conditions and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the "Benchmark Amendments"); and

(ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(l)(i)(E), without any requirement for the consent or approval of Securityholders, the Trustee or the Agents, vary these Conditions and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two authorized signatories of the Issuer pursuant to Condition 4(l)(i)(E), the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Securityholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including*, inter alia*, by the execution of a deed supplemental to or amending the Trust Deed), provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

For the avoidance of doubt, the Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 4(l)(i)(D). Securityholders' consent shall not be required in connection with the effecting of the Successor Rate or the Alternative Rate (as applicable) or such other changes, including the execution of any documents or any steps by the Trustee or the Issuing and Paying Agent (if required). Further, none of the Trustee, the Calculation Agent, the Paying Agents, the Registrars or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Adviser with respect to any Successor Rate or Alternative Rate (as applicable) or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

In connection with any such variation in accordance with this Condition 4(l)(i)(D), the Issuer shall comply with the rules of any stock exchange on which the Perpetual Capital Securities are for the time being listed or admitted to trading.

(E) Notices

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(l)(i) will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 16, the Securityholders or the Couponholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Securityholders of the same, the Issuer shall deliver to the Trustee a certificate signed by two authorized signatories of the Issuer:

(x) confirming

(1) that a Benchmark Event has occurred,

(2) the Successor Rate or, as the case may be, the Alternative Rate,

(3) the applicable Adjustment Spread, and

(4) the specific terms of the Benchmark Amendments (if any),

in each case as determined in accordance with the provisions of this Condition 4(l)(i); and

(y) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate, Alternative Rate, the Adjustment Spread or the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate, Alternative Rate, the Adjustment Spread or the Benchmark Amendments (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents, the Securityholders and Couponholders.

(F) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Condition 4(l)(i)(A), 4(l)(i)(B), 4(l)(i)(C) and 4(l)(i)(D), the Original Reference Rate and the fallback provisions provided for in Condition 4(b)(iii)(B) or (C), as applicable, will continue to apply unless and until a Benchmark Event has occurred.

(G) Definitions:

As used in this Condition 4(l)(i):

"**Adjustment Spread**" means either

(i) a spread (which may be positive, negative or zero) or

(ii) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(x) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);

(y) the Independent Adviser determines, as being customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Independent Adviser determines that no such spread is customarily applied);

(z) the Independent Adviser (in consultation with the Issuer) determines, and which is recognized or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 4(l)(i)(B) is customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Perpetual Capital Securities.

"**Benchmark Amendments**" has the meaning given to it in Condition 4(l)(i)(D).

"**Benchmark Event**" means:

(i) the Original Reference Rate ceasing be published for a period of at least five Business Days or ceasing to exist; or

(ii) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or

(iii) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will, be permanently or indefinitely discontinued; or

(iv) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Perpetual Capital Securities, in each case within the following six months; or

(v) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or

(vi) it has become unlawful for any Paying Agent, Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Securityholder using the Original Reference Rate,

provided that the Benchmark Event shall be deemed to occur (a) in the case of sub-paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (iv) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of sub-paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

The occurrence of a Benchmark Event shall be determined by the Issuer and promptly notified to the Trustee, the Calculation Agent and the Paying Agents. For the avoidance of doubt, neither the Trustee, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination.

"**Independent Adviser**" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by and at the expense of the Issuer under Condition 4(l)(i)(A).

"**Original Reference Rate**" means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Distribution (or any component part thereof) on the Perpetual Capital Securities.

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

(i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of:

(w) the central bank for the currency to which the benchmark or screen rate (as applicable) relates;

(x) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable);

(y) a group of the aforementioned central banks or other supervisory authorities; or

(z) the Financial Stability Board or any part thereof.

"**Successor Rate**" means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

Where the Original Reference Rate for a Series of Perpetual Capital Securities is EURIBOR, the Successor Rate could include the rate (inclusive of any spreads or adjustments) formally recommended by (i) the working group on euro risk free rates established by the European Central Bank, the Financial Services and Markets Authority, the European Securities and Markets Authority and the European Commission, (ii) the European Money Market Institute, as the administrator of EURIBOR, (iii) the competent authority responsible under Regulation (EU) 2016/1011 for supervising the European Money Market Institute, as the administrator of the EURIBOR, or (iv) the national competent authority designated by each Member State under Regulation (EU) 2016/1011, or (v) the European Central Bank.

(ii) **Benchmark Discontinuation (SOFR)**

This Condition 4(l)(ii) shall only apply to U.S. dollar-denominated Perpetual Capital Securities where so specified in the applicable Pricing Supplement.

The following provisions shall apply if Benchmark Discontinuation (SOFR) is specified as applicable in the applicable Pricing Supplement:

(A) Benchmark Replacement

If the Issuer or its designee determines on or prior to the relevant Reference Time that a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to the-then current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Perpetual Capital Securities in respect of all determinations on such date and for all determinations on all subsequent dates.

(B) Benchmark Replacement Conforming Changes

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time. For the avoidance of doubt, the Trustee and any of the Agents shall, at the direction and expense of the Issuer, but subject to receipt by the Trustee of a certificate signed by two authorized signatories of the Issuer confirming that a Benchmark Event has occurred, without any requirement for the consent or approval of the Securityholders, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required to give effect to this Condition 4(l)(ii)(B) and none of the Trustee or the Agents shall be liable to any party for any consequences thereof, provided that the Trustee and the Agents shall not be obliged to effect any such amendments, if, in the opinion of the Trustee or the Agents, doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the rights and/or protective provisions afforded to it in these Conditions and/or the Trust Deed and/or the Agency Agreement and/or any documents to which it is a party (including for the avoidance of doubt, any supplemental trust deed or supplemental agency agreement) in any way. Securityholders' consent shall not be required in connection with effecting any such changes, including the execution of any documents or any steps to be taken by the Trustee or any of the Agents (if required). Further, none of the Trustee, the Calculation Agent, the Paying Agents, the Registrars or the Transfer Agents shall be responsible or liable for any determinations, decisions or elections made by the Issuer or its designee with respect to any Benchmark Replacement or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

(C) Decisions and Determinations

Any determination, decision or election that may be made by the Issuer or its designee pursuant to this Condition 4(l)(ii), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection (i) will be conclusive and binding absent manifest error, (ii) will be made in the sole discretion of the Issuer or its designee, as applicable, and (iii) notwithstanding anything to the contrary in the documentation relating to the Perpetual Capital Securities, shall become effective without consent from the holders of the Perpetual Capital Securities or any other party.

(D) Definitions

The following defined terms shall have the meanings set out below for purpose of this Condition 4(I)(ii):

"**Benchmark**" means, initially, the relevant SOFR Benchmark specified in the applicable Pricing Supplement; provided that if the Issuer or its designee determines on or prior to the Reference Time that a Benchmark Event and its related Benchmark Replacement Date have occurred with respect to the relevant SOFR Benchmark (including any daily published component used in the calculation thereof) or the then-current Benchmark, then "**Benchmark**" means the applicable Benchmark Replacement;

"**Benchmark Event**" means the occurrence of one or more of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

(i) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

(ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

(iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

"**Benchmark Replacement**" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

(i) the sum of:

(a) the alternate reference rate that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof); and

(b) the Benchmark Replacement Adjustment;

(ii) the sum of:

(a) the ISDA Fallback Rate; and

(b) the Benchmark Replacement Adjustment;

(iii) the sum of:

(a) the alternate reference rate that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) giving due consideration to any industry-accepted reference rate as a replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) for U.S. dollar-denominated Floating Rate Perpetual Capital Securities at such time; and

(b) the Benchmark Replacement Adjustment;

"**Benchmark Replacement Adjustment**" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the Benchmark Replacement Date:

(i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or

(iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark (including any daily published component used in the calculation thereof) with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated Floating Rate Perpetual Capital Securities at such time;

"**Benchmark Replacement Conforming Changes**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determine that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary);

"**Benchmark Replacement Date**" means the earliest to occur of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

(i) in the case of sub-paragraph (i) or (ii) of the definition of "Benchmark Event", the later of:

(a) the date of the public statement or publication of information referenced therein; and

(b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or

(ii) in the case of sub-paragraph (iii) of the definition of "Benchmark Event", the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

"**designee**" means a designee as selected and separately appointed by the Issuer in writing;

"**ISDA Fallback Adjustment**" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark (including any daily published component used in the calculation thereof) for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

"**Reference Time**" with respect to any determination of the Benchmark means (1) if the Benchmark is the SOFR Benchmark, the SOFR Determination Time (where Compounded Daily SOFR is specified as applicable in the applicable Pricing Supplement) or SOFR Index Determination Time (where SOFR Index is specified as applicable in the applicable Pricing Supplement), or (2) if the Benchmark is not the SOFR Benchmark, the time determined by the Issuer or its designee after giving effect to the Benchmark Replacement Conforming Changes;

"**Relevant Governmental Body**" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

"**Unadjusted Benchmark Replacement**" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(iii) **Benchmark Discontinuation (SORA)**

This Condition 4(l)(iii) shall only apply to Singapore dollar-denominated Perpetual Capital Securities where so specified in the applicable Pricing Supplement.

Where the Pricing Supplement specifies this Condition 4(l)(iii) as applicable:

(A) **Independent Adviser**: If a SORA Index Cessation Event occurs in relation to an Original Reference Rate when any Rate of Distribution (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer shall use its reasonable endeavors to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, or failing which, an Alternative Rate (in accordance with Condition 4(l)(iii)(C) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 4(l)(iii)(D)).

In making such determination, the Independent Adviser appointed pursuant to this Condition 4(l)(iii) shall act in good faith as an expert and in consultation with the Issuer. In the absence of bad faith or fraud, the Independent Adviser shall have no liability whatsoever to the Issuer, the Trustee, the Paying Agents or the Securityholders for any determination made by it, pursuant to this Condition 4(l)(iii).

If:

(i) the Issuer is unable to appoint an Independent Adviser; or

(ii) the Independent Adviser fails to determine a Successor Rate or, failing which, an Alternative Rate,

in accordance with this Condition 4(l)(iii)(A) prior to the relevant Distribution Determination Date, the Rate of Distribution applicable to the next succeeding Distribution Accrual Period shall be equal to the Rate of Distribution last determined in relation to the Perpetual Capital Securities in respect of the immediately preceding Distribution Accrual Period. If there has not been a first Distribution Payment Date, the Rate of Distribution shall be the initial Rate of Distribution which would have been applicable to the Series of Perpetual Capital Securities for the first Distribution Accrual Period had the Perpetual Capital Securities been in issue for a period equal in duration to the scheduled first Distribution Accrual Period but ending on (and excluding) the Distribution Commencement Date. Where a different Margin or Maximum or Minimum Rate of Distribution is to be applied to the relevant Distribution Accrual Period from that which applied to the last preceding Distribution Accrual Period, the Margin or Maximum or Minimum Rate of Distribution relating to the relevant Distribution Accrual Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Distribution relating to that last preceding Distribution Accrual Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Distribution Accrual Period only and any subsequent Distribution Accrual Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 4(l)(iii)(A).

(B) **Successor Rate or Alternate Rate**: If the Independent Adviser determines that:

(i) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Distribution (or the relevant component part thereof) for all future payments of distribution on the Perpetual Capital Securities (subject to the operation of this Condition 4(l)(iii)); or

(ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Distribution (or the relevant component part thereof) for all future payments of distribution on the Perpetual Capital Securities (subject to the operation of this Condition 4(l)(iii)).

(C) **Adjustment Spread**: The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser (in consultation with the Issuer) is unable to determine the quantum of, or a formula or methodology for determining such Adjustment Spread, then the Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread.

(D) **Benchmark Amendments**: If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 4(l)(iii) and the Independent Adviser (in consultation with the Issuer) determines:

(i) that amendments to these Conditions and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the "**Benchmark Amendments**"); and

(ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(l)(iii)(E), without any requirement for the consent or approval of Securityholders, the Trustee or the Agents, vary these Conditions and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee of a certificate signed by two authorized signatories of the Issuer pursuant to Condition 4(l)(iii)(E), the Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Securityholders, be obliged to concur with the Issuer in effecting any Benchmark Amendments (including, inter alia, by the execution of a deed supplemental to or amending the Trust Deed), provided that the Trustee shall not be obliged so to concur if in the opinion of the Trustee doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee in these Conditions or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

For the avoidance of doubt, the Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 4(l)(iii)(D). Securityholders' consent shall not be required in connection with effecting of the Successor Rate or the Alternative Rate (as applicable) or such other changes, including the execution of any documents or any steps by the Trustee or the Issuing and Paying Agent (if required). Further, none of the Trustee, Calculation Agent, Paying Agents, Registrars or the Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or Independent Adviser with respect to any Successor Rate or Alternative Rate (as applicable) or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

In connection with any such variation in accordance with this Condition 4(l)(iii)(D), the Issuer shall comply with the rules of any stock exchange on which the Perpetual Capital Securities are for the time being listed or admitted to trading.

(E) **Notices**: Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(l)(iii) will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 16, the Securityholders and the Couponholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee a certificate signed by two authorized signatories of the Issuer:

(x) confirming:

(I) that a SORA Index Cessation Event has occurred;

(II) the Successor Rate or, as the case may be, the Alternative Rate;

(III) the applicable Adjustment Spread;

(IV) the specific terms of the Benchmark Amendments (if any),

in each case as determined in accordance with the provisions of this Condition 4(l)(iii); and

(y) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate, Alternative Rate, the Adjustment Spread or the Benchmark Amendments (if any) and without prejudice to the Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents and the Securityholders.

(F) **Definitions**:

As used in this Condition 4(l)(iii):

"**Adjustment Spread**" means either:

(a) a spread (which may be positive, negative or zero); or

(b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

(I) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);

(II) the Independent Adviser determines as being customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Independent Adviser determines that no such spread is customarily applied);

(III) the Independent Adviser (in consultation with the Issuer) determines, and which is recognized or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be);

"**Alternative Rate**" means an alternative benchmark or screen rate which the Independent Adviser, determines in accordance with Condition 4(l)(iii)(B) as being customarily applied in market usage in debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in Singapore Dollars;

"**Benchmark Amendments**" has the meaning given to it in Condition 4(l)(iii)(D);

"**Independent Adviser**" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 4(l)(iii)(A);

"**Original Reference Rate**" means, initially, SORA (being the originally-specified benchmark rate used to determine SORA Benchmark and the Rate of Distribution), provided that if a SORA Index Cessation Event has occurred with respect to SORA or the then-current Original Reference Rate, then "**Original Reference Rate**" means the applicable Successor Rate or Alternative Rate (as the case may be).

"**Relevant Nominating Body**" means:

(a) the Monetary Authority of Singapore (or any successor administrator of the Original Reference Rate); or

(b) any working group or committee officially sponsored or endorsed by, chaired or co-chaired by or constituted at the request of the Monetary Authority of Singapore (or any successor administrator of the Original Reference Rate).

"**SORA Index Cessation Event**" means the occurrence of one or more of the following events:

(I) the Original Reference Rate ceasing to be published for a period of at least five Singapore Business Days or ceasing to exist; or

(II) a public statement or publication of information by or on behalf of the Monetary Authority of Singapore (or a successor administrator of the Original Reference Rate), the regulatory supervisor for the administrator of the Original Reference Rate, the central bank for the currency of the Original Reference Rate, an insolvency official with jurisdiction over the administrator of the Original Reference Rate, a resolution authority with jurisdiction over the administrator of the Original Reference Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the Original Reference Rate, announcing that the administrator of the Original Reference Rate has ceased or will cease to provide the Original Reference Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Original Reference Rate; or

(III) a public statement or publication of information by the regulatory supervisor for the administrator of the Original Reference Rate announcing that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or

(IV) a public statement or publication of information by or on behalf of the Monetary Authority of Singapore (or the supervisor of a successor administrator of the Original Reference Rate) as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Perpetual Capital Securities; or

(V) a public statement by or on behalf of the Monetary Authority of Singapore (or the supervisor of a successor administrator of the Original Reference Rate) that the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market, provided that the SORA Index Cessation Event shall be deemed to occur (a) in the case of sub-paragraphs (ii) and (iii) above, on the date of the cessation of publication of the Original Reference Rate or the discontinuation of the Original Reference Rate, as the case may be, (b) in the case of sub-paragraph (iv) above, on the date of the prohibition of use of the Original Reference Rate and (c) in the case of sub-paragraph (v) above, on the date with effect from which the Original Reference Rate will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

The occurrence of a SORA Index Cessation Event shall be determined by the Issuer and promptly notified to the Trustee, the Calculation Agent and the Paying Agents. For the avoidance of doubt, neither the Trustee, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination; and

"**Successor Rate**" means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body as the replacement of the Original Reference Rate (which rate may be produced by the Monetary Authority of Singapore or such other administrator).

(iv) **Qualification as Additional Tier 1 Capital Securities**

Notwithstanding any other provision of Conditions 4(l)(i)(D), 4(l)(ii)(B) or 4(l)(ii)(C) or 4(l)(iii)(D) (as applicable), no Successor Rate, Alternative Rate or Benchmark Replacement (as the case may be) will be adopted, nor will the applicable Adjustment Spread or Benchmark Replacement Adjustment (as the case may be) be applied, nor will any Benchmark Amendments or Benchmark Replacement Conforming Changes (as the case may be) be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Perpetual Capital Securities as Additional Tier 1 Capital Securities and/or the Perpetual Capital Securities as eligible liabilities or loss absorbing capacity instruments for the purposes of any applicable loss absorption regulations.

5 Distribution Restrictions

(a) **Distribution Cancelation**: The Issuer may, at its sole discretion, elect to cancel any Distribution which is otherwise scheduled to be paid on a Distribution Payment Date by giving notice (such notice which shall be conclusive and binding on the Securityholders, a "**Distribution Cancelation Notice**") of such election to the Securityholders in accordance with Condition 16, the Trustee and the Agents at least 10 Business Days prior to the relevant Distribution Payment Date. The Issuer shall have no obligation to pay any Distribution on any Distribution Payment Date if it validly elects not to do so in accordance with this Condition 5(a) and any failure to pay such Distribution shall not constitute a Default (as described in Condition 11).

(b) **Non-cumulative Distribution**: If a Distribution is not paid in accordance with Condition 5(a), the Issuer is not under any obligation to pay that or any other Distributions that have not been paid. Such unpaid Distributions are non-cumulative and do not accrue interest. There is no limit on the number of times or the extent of the amount with respect to which the Issuer can elect not to pay Distributions pursuant to this Condition 5.

(c) **No obligation to pay**: Notwithstanding that a Distribution Cancelation Notice has not been given, the Issuer will not be obliged to pay, and will not pay, any Distribution on the relevant Distribution Payment Date (and such Distribution will not be considered to be due or payable) if:

(i) the Issuer is prevented by applicable Singapore banking regulations or other requirements of the MAS from making payment in full of dividends or other distributions when due on its Additional Tier 1 Capital Securities;

(ii) the Issuer is unable to make such payment of dividends or other distributions on its Additional Tier 1 Capital Securities without causing a breach of the MAS's consolidated or unconsolidated capital adequacy requirements set out in MAS Notice 637; or

(iii) the aggregate of the amount of the Distribution (if paid in full), together with the sum of any other dividends and other distributions originally scheduled to be paid (whether or not paid in whole or in part) during the Issuer's then-current fiscal year on the Perpetual Capital Securities or its Additional Tier 1 Capital Securities, would exceed the Distributable Reserves as of the Distributable Reserves Determination Date.

The Issuer shall have no obligation to pay any Distribution on any Distribution Payment Date if such non-payment is in accordance with this Condition 5(c) and any failure to pay such Distribution shall not constitute a Default.

For the purpose of these Conditions:

"**Distributable Reserves**" means, at any time, the amounts for the time being available to the Issuer for distribution as a dividend in compliance with Section 403 of the Companies Act 1967 of Singapore, as amended or modified from time to time ("**Available Amounts**") as of the date of the Issuer's latest audited balance sheet; provided that if the Issuer reasonably believes that the Available Amounts as of any Distributable Reserves Determination Date are lower than the Available Amounts as of the date of the Issuer's latest audited balance sheet and are insufficient to pay the Distributions and for payments on its Additional Tier 1 Capital Securities on the relevant Distribution Payment Date, then an authorized signatory of the Issuer will be required to provide a certificate, on or prior to such Distributable Reserves Determination Date, to the Securityholders accompanied by a certificate of the Issuer's auditors for the time being of the Available Amounts as of such Distributable Reserves Determination Date (which certificate of the authorized signatory will be binding absent manifest error) and "**Distributable Reserves**" as of such Distributable Reserves Determination Date for the purposes of such Distribution will mean the Available Amounts as set forth in such certificate; and

"**Distributable Reserves Determination Date**" means, with respect to any Distribution Payment Date, the day falling two business days prior to that Distribution Payment Date.

(d) **Distributable Reserves**: Any Distribution may only be paid out of Distributable Reserves.

(e) **Distribution Stopper**: If Distribution Stopper is specified as being applicable in the applicable Pricing Supplement and on any Distribution Payment Date, payment of Distributions scheduled to be made on such date is not made by reason of this Condition 5, the Issuer shall not:

(i) declare or pay any dividends or other distributions in respect of its Junior Obligations (or contribute any moneys to a sinking fund for the payment of any dividends or other distributions in respect of any such Junior Obligations);

(ii) declare or pay, or permit any subsidiary of the Issuer to declare or pay, any dividends or other distributions in respect of its Additional Tier 1 Capital Securities the terms of which provide that making payments of dividends or other distributions in respect thereof are fully at the discretion of the Issuer or subsidiary of the Issuer, as the case may be, (or contribute any moneys to a sinking fund for the payment of any dividends or other distributions in respect of any such Additional Tier 1 Capital Securities); and

(iii) redeem, reduce, cancel, buy-back or acquire any of its Additional Tier 1 Capital Securities or its Junior Obligations or permit any subsidiary of the Issuer to redeem, reduce, cancel, buy-back or acquire any of its Additional Tier 1 Capital

Securities or its Junior Obligations (or contribute any moneys to a sinking fund for the redemption, capital reduction, buy-back or acquisition of any such Additional Tier 1 Capital Securities or Junior Obligations),

in each case, until (w) a redemption of all the outstanding Perpetual Capital Securities has occurred; (x) the outstanding Perpetual Capital Securities has been Written-off in its entirety; (y) the next scheduled Distribution has been paid in full (or an amount equivalent to the next scheduled Distribution has been paid, or irrevocably set aside in a separately designated trust account for payment to the Securityholders); or (z) the Issuer is permitted to do so by an Extraordinary Resolution.

(f) **No default**: Notwithstanding any other provision in these Conditions, the cancelation or non-payment of any Distribution in accordance with this Condition 5 shall not constitute a default for any purpose (including, without limitation, pursuant to Condition 11) on the part of the Issuer.

6 Redemption, Purchase and Options

(a) **No Fixed Redemption Date**: The Perpetual Capital Securities are perpetual securities in respect of which there is no fixed redemption date. The Perpetual Capital Securities may not be redeemed at the option of the Issuer other than in accordance with this Condition 6.

(b) **Early Redemption**: The Early Redemption Amount payable in respect of any Perpetual Capital Security, upon redemption of such Perpetual Capital Security pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 11, shall be the Final Redemption Amount unless otherwise specified in the applicable Pricing Supplement.

(c) **Redemption for Taxation Reasons**: Subject to Condition 6(j), the Perpetual Capital Securities may be redeemed at the option of the Issuer in whole, but not in part, on any Distribution Payment Date (if this Perpetual Capital Security is a Floating Rate Perpetual Capital Security) or at any time (if this Perpetual Capital Security is not a Floating Rate Perpetual Capital Security), on giving not less than 15 days' notice to the Securityholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b)) together with Distributions accrued but unpaid (if any) to (but excluding) the date fixed for redemption or, if the Early Redemption Amount is not specified in the applicable Pricing Supplement, at their nominal amount, together with Distribution accrued but unpaid (if any) to (but excluding) the date fixed for redemption, if:

(A) the Issuer has paid or will or would on the next payment date be required to pay Additional Amounts (as defined in Condition 9); or

(B) payments of Distribution on the Perpetual Capital Securities will or would be treated as "distributions" or dividends within the meaning of the Income Tax Act 1947 of Singapore (the "**Income Tax Act**") or any other act in respect of or relating to Singapore taxation or would otherwise be considered as payments of a type that are non-deductible for Singapore income tax purposes; or

(C) the Perpetual Capital Securities do not qualify as "qualifying debt securities" for the purposes of the Income Tax Act,

in each case as a result of any change in, or amendment to, the laws or regulations of Singapore or any political subdivision or any authority therein or thereof having power to tax (or any taxing authority of any taxing jurisdiction in which the Issuer is a tax resident) or any generally published application or interpretation of such laws or regulations by any such relevant tax authority or any generally published pronouncement by any such tax authority, including a decision of any court or tribunal in any such jurisdiction, which change or amendment becomes effective on or after the date on which agreement is reached to issue the Perpetual Capital Securities, and such obligations cannot be avoided by the Issuer taking measures reasonably available to it, provided that, where the Issuer has or will become obliged to pay Additional Amounts, no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Amounts were a payment in respect of the Perpetual Capital Securities then due.

Before the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer shall deliver to the Trustee a certificate signed by two authorized signatories of the Issuer stating that the payment of Additional Amounts, or that the non-deductibility of the payments of Distribution for Singapore income tax purposes, as the case may be, cannot be avoided by the Issuer taking reasonable measures available to it and the Trustee shall be entitled to accept such certificate without any further inquiry as sufficient evidence of the satisfaction of this Condition 6(c) without liability to any person in which event it shall be conclusive and binding on Securityholders. Upon expiry of such notice, the Issuer shall redeem the Perpetual Capital Securities in accordance with this Condition 6(c).

Any redemption of the Perpetual Capital Securities by the Issuer pursuant to this Condition 6(c) is subject to the Issuer obtaining the prior approval of MAS.

(d) **Redemption at the option of the Issuer**: Subject to Condition 6(j), and unless otherwise specified in the Pricing Supplement, if Call Option is specified in the applicable Pricing Supplement as applicable, the Issuer may, on giving not less than 15 days' irrevocable notice to the Securityholders, elect to redeem all, but not some only, of the Perpetual Capital Securities on (i) the relevant First Call Date specified in the applicable Pricing Supplement (which shall not be less than 5 years from the Issue Date); and (ii) any Distribution Payment Date following such First Call Date at their Optional Redemption Amount specified in the applicable Pricing Supplement or, if no Optional Redemption Amount is specified in the applicable Pricing Supplement, at their nominal amount together with Distributions accrued but unpaid (if any) to (but excluding) the date fixed for redemption in accordance with these Conditions.

All Perpetual Capital Securities in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 6(d).

Any redemption of the Perpetual Capital Securities by the Issuer pursuant to this Condition 6(d) is subject to the Issuer obtaining the prior approval of MAS.

(e) **Redemption for Change of Qualification Event**:

Subject to Condition 6(j), if as a result of a change or amendment to the relevant requirements issued by MAS, or any change in, or amendment to, the application of official or generally accepted and published interpretation of such relevant requirements issued by MAS or any relevant supervisory authority having jurisdiction over the Issuer, including a ruling or notice issued by MAS or any such relevant supervisory authority, or any interpretation or pronouncement by MAS or any such relevant supervisory authority that provides for a position with respect to such

requirements issued by MAS that differs from the previously published official or such generally accepted and published interpretation in relation to similar transactions or which differs from any specific written statements made by MAS or any relevant supervisory authority having jurisdiction over the Issuer in relation to:

(i) the qualification of the Perpetual Capital Securities as Additional Tier 1 Capital Securities; or

(ii) the inclusion of the Perpetual Capital Securities in the calculation of the capital adequacy ratio,

in each case, of the Issuer (either on a consolidated or unconsolidated basis) ("**Eligible Capital**"), which change or amendment:

(x) becomes, or would become, effective on or after the Issue Date; or

(y) in the case of a change or amendment to the relevant requirements issued by MAS or any relevant authority, if such change or amendment is expected to be issued by MAS or any relevant supervisory authority on or after the Issue Date,

the relevant Perpetual Capital Securities (in whole or in part) would not qualify as Eligible Capital of the Issuer (a "**Change of Qualification Event**"), then the Issuer may, having given not less than 15 days' prior written notice to the Securityholders in accordance with Condition 16 (which notice shall be irrevocable), redeem in accordance with these Conditions on any Distribution Payment Date (if this Perpetual Capital Security is at the relevant time a Floating Rate Perpetual Capital Security) or at any time (if this Perpetual Capital Security is at the relevant time not a Floating Rate Perpetual Capital Security) all, but not some only, of the relevant Perpetual Capital

Securities, at their Early Redemption Amount or, if no Early Redemption Amount is specified in the applicable Pricing Supplement, at their nominal amount together with Distribution accrued but unpaid (if any) to (but excluding) the date fixed for redemption in accordance with these Conditions.

Prior to the publication of any notice of redemption pursuant to this Condition 6(e), the Issuer shall deliver to the Trustee a certificate signed by two authorized signatories of the Issuer stating that a Change of Qualification Event has occurred and the Trustee shall be entitled to accept such certificate without any further inquiry as sufficient evidence of the satisfaction of the conditions set out above without liability to any person in which event it shall be conclusive and binding on the Securityholders. Upon expiry of such notice, the Issuer shall redeem the Perpetual Capital Securities in accordance with this Condition 6(e).

Any redemption of the Perpetual Capital Securities by the Issuer pursuant to this Condition 6(e) is subject to the Issuer obtaining the prior approval of MAS.

(f) **Variation**:

Subject to Condition 6(j), where this Condition 6(f) is specified as being applicable in the applicable Pricing Supplement, the Issuer may at any time, without any requirement for the consent or approval of the Securityholders and having given not less than 15 days' notice to the Securityholders in accordance with Condition 16 (which notice shall be irrevocable), vary the terms of those Perpetual Capital Securities, where such variation

does not result in terms that are materially less favorable to the Securityholders and so that they remain or, as appropriate, become Qualifying Securities and provided further that:

(i) such variation does not itself give rise to any right of the Issuer to redeem the varied securities that is inconsistent with the redemption provisions of those Perpetual Capital Securities;

(ii) neither a Tax Event nor a Capital Event arises as a result of such variation; and

(iii) the Issuer is in compliance with the rules of any stock exchange on which the Perpetual Capital Securities are for the time being listed or admitted to trading.

In order to give effect to a variation pursuant to this Condition 6(f), the Issuer and the Trustee shall take all such steps, including executing any supplemental deed, as may be necessary or desirable to give effect to such variation. For the avoidance of doubt, the Trustee shall not be responsible or liable for verifying or certifying whether any of the provisions of this Condition 6(f) have been complied with nor incur any liability whatsoever for any failure to do so.

Any variation of the Perpetual Capital Securities by the Issuer pursuant to this Condition 6(f) is subject to the Issuer obtaining the prior approval of MAS.

In this Condition 6(f):

"**Additional Amounts**" means such additional amounts the Issuer shall pay as will result (after withholding or deduction) in receipt by the Securityholders of the sums which would have been receivable (in the absence of such withholding or deduction) from it in respect of their Perpetual Capital Securities;

a "**Capital Event**" will be deemed to have occurred if any Perpetual Capital Securities are not, or cease to be, eligible in their entirety to be treated as Additional Tier 1 Capital Securities of the Issuer;

"**Qualifying Securities**" means securities, whether debt, equity, interests in limited partnerships or otherwise, issued directly or indirectly by the Issuer that:

(i) (A) qualify (in whole or in part) as Additional Tier 1 Capital Securities; or

(B) may be included (in whole or in part) in the calculation of the capital adequacy ratio, in each case of (x) the Issuer, on an unconsolidated basis, or (y) the Issuer and its subsidiaries, on a consolidated basis;

(ii) shall:

(A) include a ranking at least equal to that of the Perpetual Capital Securities;

(B) have at least the same Distribution rate and the same Distribution Payment Dates as those from time to time applying to the Perpetual Capital Securities;

(C) have the same redemption rights as the Perpetual Capital Securities;

(D) preserve any existing rights under the Perpetual Capital Securities to any accrued Distributions which have not been paid in respect of the period from (and including) the Distribution Payment Date last preceding the date of variation; and

(E) if applicable, are assigned (or maintain) the same or higher credit ratings as were assigned to the Perpetual Capital Securities immediately prior to such variation; and

(iii) are listed on the SGX-ST (or such other stock exchange approved by the Trustee) if the Perpetual Capital Securities were listed immediately prior to such variation; and

a "**Tax Event**" is deemed to have occurred if, in making any payments on the Perpetual Capital Securities, the Issuer has paid or will or would on the next payment date be required to pay any Additional Amounts or Distribution on the Perpetual Capital Securities will or would be treated as "distributions" or dividends within the meaning of the Income Tax Act or any other act in respect of or relating to Singapore taxation or would otherwise be considered as payments of a type that are non-deductible for Singapore income tax purposes, in each case under the laws or regulations of a Relevant Taxing Jurisdiction (as defined in Condition 9) or any political subdivision or any authority therein or thereof having power to tax (or any taxing authority of any taxing jurisdiction in which the Issuer is a tax resident) or any generally published application or interpretation of such laws or regulations by any relevant tax authority or any generally published pronouncement by any such tax authority, including a decision of any court or tribunal in any such jurisdiction, and the Issuer cannot avoid the foregoing by taking measures reasonably available to it.

If a variation has occurred pursuant to, or otherwise in accordance with, this Condition 6(f), such event will not constitute a Default under these Conditions.

(g) **Purchases**: The Issuer and any of its subsidiaries (with the prior approval of MAS, for so long as the Issuer is required to obtain such approval) may at any time purchase Perpetual Capital Securities in the open market or otherwise at any price in accordance with all relevant laws and **regulations** and, for so long as the Perpetual Capital Securities are listed, the requirements of the relevant stock exchange. The Issuer or any such subsidiary may, at its option, retain such purchased Perpetual Capital Securities for its own account and/or resell or cancel or otherwise deal with them at its discretion.

(h) **Cancelation**: All Perpetual Capital Securities purchased by or on behalf of the Issuer or any of its subsidiaries may be surrendered for cancelation by surrendering the Certificate representing **such** Perpetual Capital Securities to the Registrar and, in each case, if so surrendered, shall, together with all Perpetual Capital Securities redeemed by the Issuer, be canceled forthwith. Any Perpetual Capital Securities so surrendered for cancelation may not be reissued or resold and the obligations of the Issuer in respect of any such Perpetual Capital Securities shall be discharged. Any Perpetual Capital Security that is Written-off in full in accordance with Condition 7 or converted in full if and as described in the applicable Pricing Supplement shall be automatically canceled.

(i) **No Obligation to Monitor**: The Trustee shall not be under any duty to monitor whether any event or circumstance has happened or exists within this Condition 6 and will not be responsible to the Securityholders for any loss arising from any failure by it to do so. **Unless** and until the Trustee has notice in writing of the occurrence of any event or circumstance within this Condition 6, it shall be entitled to assume that no such event or circumstance exists.

(j) **Redemption or Variation of Perpetual Capital Securities**: Without prejudice to any provision in this Condition 6, any redemption pursuant to Condition 6(c), 6(d) or 6(e) or variation pursuant to **Condition** 6(f) (to the extent that any variation would affect the eligibility of the Perpetual Capital Securities as Additional Tier 1 Capital Securities) of the Perpetual Capital Securities by the Issuer is subject to the Issuer obtaining the prior approval of MAS.

These Conditions may be amended, modified or varied in relation to any Series of Perpetual Capital Securities by the terms of the applicable Pricing Supplement in relation to such Series.

7 Loss Absorption upon a Trigger Event and Bail-in Power

(a) The applicable Pricing Supplement will specify whether "Write-off" or "Conversion" applies as the relevant Loss Absorption Option upon the occurrence of a Trigger Event in relation to the Perpetual Capital Securities to which it relates. If "Write-off" is specified, the provisions of Conditions 7(b) and (c) shall apply. If "Conversion" is specified, the terms applicable thereto will be specified in the applicable Pricing Supplement.

(b) Write-off on a Trigger Event:

(i) If "Write-off" is specified as the Loss Absorption Option in the applicable Pricing Supplement for any Perpetual Capital Securities and if a Trigger Event occurs, the Issuer shall, upon the issue of a Trigger Event Notice, irrevocably and without the need for the consent of the Trustee or the holders of any Perpetual Capital Securities, procure that the Registrar shall reduce the principal amount and cancel any accrued but unpaid Distribution of each Perpetual Capital Security (in whole or in part) by an amount equal to the Trigger Event Write-off Amount per Perpetual Capital Security (a "**Write-off**", and "**Written-off**" shall be construed accordingly). Once any principal or Distribution under a Perpetual Capital Security has been Written-off, it will be extinguished and will not be restored in any circumstances, including where the relevant Trigger Event ceases to continue. No Securityholder may exercise, claim or plead any right to any Trigger Event Write-off Amount, and each Securityholder shall be deemed to have waived all such rights to such Trigger Event Write-off Amount. For the avoidance of doubt, any Write-off in accordance with this Condition 7 shall not constitute a Default (as defined below).

(ii) If a Trigger Event Notice has been given in respect of any Perpetual Capital Securities in accordance with this Condition 7(b), transfers of any such Perpetual Capital Securities that are the subject of such notice shall not be permitted during the Suspension Period. From the date on which a Trigger Event Notice in respect of any Perpetual Capital Securities in accordance with this Condition 7(b) is issued by the Issuer to the end of the Suspension Period, the Trustee and the Registrar shall not register any attempted transfer of any Perpetual Capital Securities and such an attempted transfer will not be effective.

(iii) Any reference in these Conditions to principal in respect of the Perpetual Capital Securities shall refer to the principal amount of the Perpetual Capital Security(ies), reduced by any applicable Write-off(s).

Any Write-off of Perpetual Capital Securities or any cancelation, modification, conversion or change in form as a result of the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act is subject to the availability of procedures to effect the Write-off in the relevant clearing systems. For the avoidance of doubt, however, any Write-off of any Perpetual Capital Securities, or the giving of effect of a Bail-in Certificate with respect to the Issuer, under this Condition 7 will be effective upon the date that the Issuer specifies in the Trigger Event Notice or in the notice of issue of a Bail-in Certificate (or as may otherwise be notified in writing to the Securityholders, the Trustee and Agents by the Issuer) notwithstanding any inability to operationally effect any such Write-off or cancelation, modification, conversion or change in form as a result of the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act in the relevant clearing system(s).

(c) **Multiple Trigger Events and Write-offs in part**:

(i) Where only part of the principal and/or Distribution of Additional Tier 1 Capital Securities is to be Written-off, the Issuer shall use reasonable endeavors to conduct any Write-off such that:

(A) holders of any Series of Perpetual Capital Securities are treated ratably and equally; and

(B) the Write-off of any Perpetual Capital Securities is conducted on a *pro rata* and proportionate basis with all other Additional Tier 1 Capital Securities of the Issuer, to the extent that such Additional Tier 1 Capital Securities are capable of being written-off or converted under any applicable laws and/or their terms of issue analogous to these Conditions.

Any loss absorption action to be taken in respect of any Common Equity Tier 1 Capital shall not be required before a Write-off or conversion (if applicable) of any Perpetual Capital Securities can be effected in accordance with these Conditions.

(ii) Any Series of Perpetual Capital Securities may be subject to one or more Write-offs in part (as the case may be), except where such Series of Perpetual Capital Securities has been Written-off in its entirety.

(d) **Bail-in Power**

Notwithstanding any other term of the Perpetual Capital Securities, including without limitation Condition 7(b), or any other agreement or arrangement, the Perpetual Capital Securities may be subject to cancelation, modification, conversion, change in form, or have the effect as if a right of modification, conversion, or change of form had been exercised by the MAS in the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act without prior notice. The Trustee (on behalf of the holders of the Perpetual Capital Securities) and each holder of a Perpetual Capital Security shall be subject, and shall be deemed to agree, to be bound by and acknowledge that they are each subject to having the Perpetual Capital Security being the subject of the exercise of the MAS's powers under Divisions 4A of Part IVB of the MAS Act. Further, the Trustee (on behalf of the holders of the Perpetual Capital Securities) and each holder of a Perpetual Capital Security shall be deemed to agree to be bound by a Bail-in Certificate.

The rights of the holders of Perpetual Capital Securities and the Trustee (on behalf of the holders of the Perpetual Capital Securities) under the Perpetual Capital Securities and these Conditions are subject to, and will be amended and varied (if necessary), solely to give effect to, the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act.

No repayment of any principal amount of any Perpetual Capital Securities or payment of Distributions shall become due and payable or be paid after the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act unless, at the time that such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer under the laws and regulations applicable to the Issuer.

Upon the issue of a Bail-in Certificate with respect to the Perpetual Capital Securities, the Issuer shall provide written notice of such Bail-in Certificate to the holders of Perpetual Capital Securities and the Trustee in accordance with Condition 16 not more than two Business Days after the issue of such Bail-in Certificate.

Neither the cancelation, modification, conversion or change in form of the Perpetual Capital Securities as a result of the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act with respect to the Issuer or the Perpetual Capital Securities shall constitute a Default under Condition 11.

(e) **Definitions**:

In this Condition 7:

"**Bail-in Certificate**" means a bail-in certificate issued pursuant to Section 75 of the MAS Act;

"**Common Equity Tier 1 Capital**" means:

(i) any security issued by the Issuer; or

(ii) any other similar instrument issued by any subsidiary of the Issuer,

that, in each case, constitutes Common Equity Tier 1 Capital of the Issuer, on an unconsolidated basis, pursuant to the relevant requirements set out in MAS Notice 637;

"**Loss Absorption Option**" means such loss absorption option as may be specified in the applicable Pricing Supplement;

"**MAS Act**" means the Monetary Authority of Singapore Act 1970 of Singapore, as amended;

"**Trigger Event**" means the earlier of:

(i) MAS notifying the Issuer in writing that it is of the opinion that a Write-off or conversion is necessary, without which the Issuer would become non-viable; and

(ii) a decision by MAS to make a public sector injection of capital, or equivalent support, without which the Issuer would have become non-viable, as determined by MAS;

"**Trigger Event Notice**" means the notice specifying that a Trigger Event has occurred, which shall be issued by the Issuer not more than two Business Days after the occurrence of a Trigger Event to the holders of the Perpetual Capital Securities, the Trustee and the Issuing and Paying Agent in accordance with Condition 16 and which shall state with reasonable detail the nature of the relevant Trigger Event and, if applicable, specify, as applicable (A) the Trigger Event Write-off Amount per Perpetual Capital Security to be Written-off or (B) details of any conversion consistent with any mechanics specified in the applicable Pricing Supplement. For the purposes of this definition, a Trigger Event Notice shall be deemed to be delivered on a Business Day if it is received by the Trustee at its principal place of business and by the Issuing and Paying Agent and the Registrar at their respective specified offices during normal business hours; and

"**Trigger Event Write-off Amount**" means the amount of Distribution and/or principal to be Written-off, as the MAS may direct, or as the Issuer (in accordance with the MAS) determines is required to be Written-off for the Trigger Event to cease to continue. For the avoidance of doubt, the Write-off will be effected in full even in the event that the amount Written-off is not sufficient for the Trigger Event to cease to continue.

(f) **Role of the Issuer, the Trustee and the Agents**:

Notwithstanding anything to the contrary that may be set out in these Conditions, the Trust Deed, the Agency Agreement, the applicable Pricing Supplement or any other document relating to the Perpetual Capital Securities:

(i) neither the Trustee nor any Agent shall be under any duty to determine, monitor or report whether a Trigger Event has occurred or circumstances exist which may lead to the occurrence of a Trigger Event and will not be responsible or liable to the Securityholders or any other person for any loss arising from any failure by it to do so, except where such failure is due to the fraud, negligence or willful misconduct of the Trustee or such Agent. Unless and until the Trustee and the Issuing and Paying Agent receive a Trigger Event Notice in accordance with this Condition 7 and the other Agents are expressly notified in writing, each of them shall be entitled to assume that no such event or circumstance has occurred or exists;

(ii) each of the Trustee and each Agent shall be entitled without further enquiry and without liability to any Securityholder or any other person to rely on any Trigger Event Notice and such Trigger Event Notice shall be conclusive evidence of the occurrence of the Trigger Event and conclusive and binding on Securityholders;

(iii) neither the Trustee nor any Agent shall be under any duty to determine or calculate, or verify any determination or calculation of or relating to, any Trigger Event Write-off Amount and will not be responsible or liable to the Securityholders or any other person for any loss arising from any failure by it to do so, except where such failure is due to the fraud, negligence or willful misconduct of the Trustee or such Agent;

(iv) each of the Trustee, the Agents, Euroclear, Clearstream, CDP, DTC and any other relevant clearing system shall be entitled without further enquiry and without liability to any Securityholder or any other person to rely on any Trigger Event Notice and the Trigger Event Write-off Amount specified therein shall, as to the amount of Distribution and/or principal to be Written-off, be conclusive and binding on Securityholders;

(v) as long as such Perpetual Capital Securities are held in global form, neither the Trustee nor any Agent shall, in any circumstances, be responsible or liable to the Issuer, the Securityholders or any other person for any act, omission or default by Euroclear, Clearstream, CDP, DTC or any other relevant clearing system, or its respective participants, members, any broker-dealer or any other relevant third party with respect to the notification and/or implementation of any Write-off by any of them in respect of such Perpetual Capital Securities;

(vi) once the Issuer has delivered a Trigger Event Notice to the Trustee pursuant to this Condition 7:

(A) the Trustee shall not be obliged to take any action pursuant to any direction, instruction or request provided to it pursuant to an Extraordinary Resolution (as defined in the Trust Deed) or a resolution passed at a meeting of Securityholders; and

(B) any direction, instruction or request given to the Trustee pursuant to an Extraordinary Resolution or a resolution passed at a meeting of Securityholders prior to the date of the Trigger Event Notice shall cease automatically and shall be null and void and of no further effect,

provided that any action taken by the Trustee in respect of any such Perpetual Capital Securities shall only be taken after the relevant Suspension Period;

(vii) the Issuer, the Trustee and each Agent shall, without the need for the consent or approval of the holders of any Perpetual Capital Securities (or any further action or direction on the part of Securityholders), take any and all such steps in accordance with the Agency Agreement as may be necessary or desirable to give effect to any Trigger Event and any Write-off following the occurrence of the Trigger Event and to reflect the same in the records of Euroclear, Clearstream, CDP, DTC or any other relevant clearing system; and

(viii) the Trust Deed and Agency Agreement contain certain other protections and disclaimers as applicable to the Trustee and Agents in relation to Condition 7 and each Securityholder shall be deemed to have authorized, directed and requested the Trustee, the Registrar and the other Agents, as the case may be, to take any and all such steps as may be necessary or desirable to give effect to any Trigger Event and any Write-off following the occurrence of the Trigger Event.

8 Payments

(a) **Perpetual Capital Securities not held in CMU**:

(i) Payments of principal in respect of Perpetual Capital Securities shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 8(a)(ii).

(ii) Distributions on Perpetual Capital Securities shall be paid to the person shown on the Register at the close of business (i) on the fifteenth day before the due date for payment thereof or (ii) in the case of Renminbi, on the fifth day before the due date for payment thereof (the "**Record Date**"). Payments of Distribution on each Perpetual Capital Security shall be made:

(x) in the case of a currency other than Renminbi, in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Perpetual Capital Security at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of Distribution may be made by transfer to an account in the relevant currency maintained by the payee with a Bank; and

(y) in the case of Renminbi where the Perpetual Capital Securities are cleared through CDP, by transfer to the registered account of the Securityholder. If a holder does not maintain such a registered account in respect of a payment to be made under such Perpetual Capital Security, the Issuer reserves the right, in its sole discretion and upon such terms as it may determine, to make arrangements to pay such amount to that holder by another means, *provided that* the Issuer shall not have any obligation to make any such arrangements.

In this Condition 8(a)(ii), "**registered account**" means the Renminbi account maintained by or on behalf of the Securityholder with a bank in Singapore or Hong Kong, details of which appear on the Register at the close of business on the fifth business day before the due date for payment.

(iii) Securityholders will not be entitled to any Distribution or other payment for any delay after the due date in receiving the amount due on a Perpetual Capital Security if the due date is not a relevant business day, if the Securityholder is late in surrendering or cannot surrender its Certificate (if required to do so) or if a cheque mailed in accordance with Condition 8(a)(ii) arrives after the due date for payment.

(b) **Perpetual Capital Securities held in CMU**: Payments of principal and Distributions in respect of Perpetual Capital Securities held in CMU will be made to the person(s) for whose account(s) interests in the relevant Perpetual Capital Security are credited as being held with CMU in accordance with CMU Rules (as defined in the Agency Agreement) at the relevant time as notified to the CMU Lodging and Paying Agent by CMU in a relevant CMU Instrument Position Report (as defined in the Agency Agreement) or any other relevant notification by CMU, which notification shall be conclusive evidence of the records of CMU (save in the case of manifest error) and payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment.

For so long as any of the Perpetual Capital Securities that are cleared through CMU are represented by a Global Certificate, payments of Distribution or principal will be made to the persons for whose account a relevant interest in that Global Certificate is credited as being held by the opera tor of CMU at the relevant time, as notified to the CMU Lodging and Paying Agent by the operator of CMU in a relevant CMU Instrument Position Report (as defined in the rules of CMU) or in any other relevant notification by the operator of CMU. Such payment will discharge the Issuer's obligations in respect of that payment. Any payments by CMU participants to indirect participants will be governed by arrangements agreed between CMU participants and the indirect participants and will continue to depend on the inter-bank clearing system and traditional payment methods. Such payments will be the sole responsibility of such CMU participants.

(c) **Payments subject to fiscal laws**: All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws to which the Issuer agrees to be subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, but without prejudice to the provisions of Condition 9. No commission or expenses shall be charged to the Securityholders in respect of such payments.

(d) **Payment Initiation**: Where payment is to be made by transfer to an account in the relevant currency, payment instructions (for value the due date, or if that is not a business day, for value the first following day which is a business day) will be initiated, and, where payment is to be made by cheque, the cheque will be mailed on the last day on which the relevant Paying Agent is open for business preceding the due date for payment or, in the case of payments of principal where the relevant Certificate has not been surrendered at the specified office of any of the Transfer Agents or of the Registrar, on a day on which the relevant Paying Agent is open for business and on which the relevant Certificate is surrendered.

(e) **Appointment of Agents**: The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent, the Paying Agents, the Registrar, the Exchange Agent, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent, the Paying Agents, the Registrar, the Exchange Agent, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Securityholder. The Issuer reserves the right at any time with the approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent, any other Paying Agent, the Registrar, the Exchange Agent, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar, (iii) a Transfer Agent, (iv) a CMU Lodging and Paying Agent in relation to Perpetual Capital Securities cleared through CMU, (v) a CDP Paying Agent in relation to Perpetual Capital Securities cleared through CDP, (vi) a U.S. Paying Agent in relation to Perpetual Capital Securities cleared through DTC, (vii) one or more Calculation Agent(s) where these Conditions so require and (viii) such other agents as may be required by any other stock exchange on which the Perpetual Capital Securities may be listed in each case, as approved by the Trustee.

Notice of any such change or any change of any specified office shall promptly be given to the Securityholders.

So long as any Global Certificate payable in a specified currency other than U.S. dollars is held through DTC or its nominee, there will at all times be an Exchange Agent with a specified office in New York City.

(f) **Non-Business Days**: If any date for payment in respect of any Perpetual Capital Security is not a business day, the holder shall not be entitled to payment until the next following business day nor to any Distribution or other sum in respect of such postponed payment. In this Condition 8(f), "**business day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such other jurisdictions as shall be specified as "**Financial Centers**" in the applicable Pricing Supplement and:

(i) (in the case of a payment in a currency other than Euro and Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial center of the country of such currency; or

(ii) (in the case of a payment in Euro) which is a TARGET Business Day; or

(iii) (in the case of Renminbi where the Perpetual Capital Securities are cleared through CMU) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong; or

(iv) (in the case of Renminbi where the Perpetual Capital Securities are cleared through CDP or in definitive form) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Singapore and Hong Kong; or

(v) (in the case of Renminbi where the Perpetual Capital Securities are cleared through Euroclear or Clearstream) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in London.

(g) **Renminbi Disruption Fallback**: Notwithstanding the foregoing, if (i) Renminbi is, in the reasonable opinion of the Issuer, not expected to be available to the Issuer when payment of the Perpetual Capital Securities is due as a result of circumstances beyond the control of the Issuer or (ii) by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuer is not able to satisfy payments of principal or Distribution in respect of the Perpetual Capital Securities when due in Renminbi (in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream) in Hong Kong or (in the case of Perpetual Capital Securities cleared through CDP) in Singapore, the Issuer shall, on giving not less than five nor more than 30 days' irrevocable notice to the Securityholders prior to the due date for payment, settle any such payment (in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream) in U.S. dollars on the due date at the U.S. Dollar Equivalent, or (in the case of Perpetual Capital Securities cleared through CDP) in Singapore dollars on the due date at the Singapore Dollar Equivalent, of any such Renminbi denominated amount. The due date for payment shall be the originally scheduled due date or such postponed due date as shall be specified in the notice referred to above, which postponed due date may not fall more than 20 days after the originally scheduled due date. Distributions on the Perpetual Capital Securities will continue to accrue up to but excluding any such date for payment of principal.

In such event, payments of the U.S. Dollar Equivalent or the Singapore Dollar Equivalent (as applicable) of the relevant principal or Distribution in respect of the Perpetual Capital Securities shall be made by:

(i) in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream, transfer to a U.S. dollar denominated account maintained by the payee with, or by a U.S. dollar denominated cheque drawn on, or, at the option of the holder, by transfer to a U.S. dollar account maintained by the holder with, a bank in New York City and the definition of "**business day**" for the purpose of Condition 8(f) shall mean any day on which banks and foreign exchange markets are open for general business in the relevant place of presentation, and New York City; or

(ii) in the case of Perpetual Capital Securities cleared through CDP, transfer to a Singapore dollar denominated account maintained by the payee with, or by a Singapore dollar denominated cheque drawn on, a bank in Singapore.

For the purposes of this Condition 8:

"**Determination Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange):

(i) in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream, in Hong Kong and New York City; or

(ii) in the case of Perpetual Capital Securities cleared through CDP, in Singapore.

"**Determination Date**" means the day which:

(i) in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream, is two Determination Business Days before the due date for payment of the relevant amount under these Conditions; or

(ii) in the case of Perpetual Capital Securities cleared through CDP, is seven Determination Business Days before the due date of the relevant amount under these Conditions.

"**Governmental Authority**" means:

(i) in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream, any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong; or

(ii) in the case of Perpetual Capital Securities cleared through CDP, MAS or any other governmental authority or any other entity (private or public) charged with the regulation of the financial markets of Singapore.

"**Illiquidity**" means:

(i) in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream, the general Renminbi exchange market in Hong Kong becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay Distribution or principal in respect of the Perpetual Capital Securities as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers selected by the Issuer; or

(ii) in the case of Perpetual Capital Securities cleared through CDP, the general Renminbi exchange market in Singapore becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay Distribution or principal in respect of the Perpetual Capital Securities as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers selected by the Issuer.

"**Inconvertibility**" means the occurrence of any event that makes it impossible (where it had been previously possible) for the Issuer to convert any amount due in respect of the Perpetual Capital Securities in the general Renminbi exchange market in (in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream) Hong Kong or (in the case of Perpetual Capital Securities cleared through CDP) Singapore, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

"**Non-transferability**" means the occurrence of any event that makes it impossible for the Issuer to deliver Renminbi between accounts:

(i) in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream, inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong and outside the PRC or from an account outside Hong Kong and outside the PRC to an account inside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation); or

(ii) in the case of Perpetual Capital Securities cleared through CDP, inside Singapore or from an account inside Singapore to an account outside Singapore and outside the PRC or from an account outside Singapore and outside the PRC to an account inside Singapore, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

"**PRC**" means the People's Republic of China (excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan).

"**Renminbi Dealer**" means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in (in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream) Hong Kong or (in the case of Perpetual Capital Securities cleared through CDP) Singapore.

"**Singapore Dollar Equivalent**" means the Renminbi amount converted into Singapore dollars using the relevant Spot Rate for the relevant Determination Date, as promptly notified to the Issuer and the Paying Agents.

"**Spot Rate**" means:

(i) in the case of Perpetual Capital Securities cleared through CMU, Euroclear or Clearstream, the spot CNY/U.S. dollar exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement in two Determination Business Days, as determined by the Calculation Agent at or around 11.00 a.m. (Hong Kong time) on the Determination Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF.

If such rate is not available, the Calculation Agent will determine the Spot Rate at or around 11.00 a.m. (Hong Kong time) on the Determination Date as the most recently available CNY/U.S. dollar official fixing rate for settlement in two Determination Business Days reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate; or

(ii) in the case of Perpetual Capital Securities cleared through CDP, the spot CNY/Singapore dollar exchange rate as determined by the Issuer at or around 11.00 a.m. (Singapore time) on the Determination Date in good faith and in a reasonable commercial manner, and if a spot rate is not readily available, the Issuer may determine the rate taking into consideration all available information which the Issuer deems relevant, including pricing information obtained from the Renminbi non-deliverable exchange market in Singapore or elsewhere and the PRC domestic foreign exchange market in Singapore (and, for the avoidance of doubt, the Calculation Agent shall have no obligation to determine the Spot Rate in the case of Perpetual Capital Securities cleared through CDP).

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 8(g) by the Calculation Agent, will (in the absence of willful default, bad faith or manifest error) be binding on the Issuer, the Agents and all Securityholders.

"**U.S. Dollar Equivalent**" means the Renminbi amount converted into U.S. dollars using the Spot Rate for the relevant Determination Date as promptly notified to the Issuer and the Paying Agents.

9 Taxation

All payments of principal and Distributions by or on behalf of the Issuer in respect of the Perpetual Capital Securities shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by a Relevant Taxing Jurisdiction or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts (the "**Additional Amounts**") as shall result in receipt by the Securityholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Perpetual Capital Security:

(a) **Other connection**: to, or to a third party on behalf of, a holder who is (i) treated as a resident of the Relevant Taxing Jurisdiction or as having a permanent establishment in the Relevant Taxing Jurisdiction for tax purposes or (ii) liable to such taxes, duties, assessments or governmental charges in respect of such Perpetual Capital Security by reason of his having some connection with the Relevant Taxing Jurisdiction other than the mere holding or ownership of the Perpetual Capital Security or receiving income therefrom, or the enforcement thereof; or

(b) **Lawful avoidance of withholding**: to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Certificate representing the Perpetual Capital Security is presented for payment; or

(c) **Presentation more than 30 days after the Relevant Date**: presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such Additional Amounts on presenting it for payment on the thirtieth such day.

For the avoidance of doubt, neither the Issuer nor any other person shall be required to pay any Additional Amounts or otherwise indemnify a holder for any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the United States Internal Revenue Code of 1 986, as amended (the "**Code**") as amended or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement).

As used in these Conditions,

(i) "**Relevant Date**" in respect of any Perpetual Capital Security means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Securityholders that, upon further presentation of the Certificate representing the Perpetual Capital Security being made in accordance with these Conditions, such payment will be made, *provided that* payment is in fact made upon such presentation. References in these Conditions to (i) "principal" shall be deemed to include any premium payable in respect of the Perpetual Capital Securities, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) "Distribution" shall be deemed to include all Distribution Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (iii) "principal" and/or "Distribution" shall be deemed to include any additional amounts that may be payable under this Condition 9 or any undertaking given in addition to or in substitution for it under the Trust Deed.

(ii) "**Relevant Taxing Jurisdiction**" means Singapore or, if different, the jurisdiction of tax residency of the Issuer.

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Perpetual Capital Securities by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, shall not apply if such person acquires such Perpetual Capital Securities using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Perpetual Capital Securities is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.

10 Prescription

Claims against the Issuer for payment in respect of the Perpetual Capital Securities shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of Distribution) from the appropriate Relevant Date in respect of them.

11 Default

(a) *Default*: "**Default**", wherever used in these Conditions, means (except as expressly provided below, whatever the reason for such Default and whether or not it shall be voluntary or involuntary or be effected by the operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body) failure to pay principal of or Distribution on any Perpetual Capital Security (which default in the case of principal continues for seven Business Days and in the case of Distribution continues for 14 Business Days) after the due date for such payment.

If a Write-off or conversion has occurred pursuant to, or otherwise in accordance with, Condition 7 or (with respect to a conversion) any applicable Pricing Supplement, such event will not constitute a Default under these Conditions.

(b) *Enforcement*: If a Default occurs and is continuing, the Trustee may in its absolute discretion institute proceedings in Singapore (but not elsewhere) for the winding-up of the Issuer. The Trustee shall have no right to enforce payment under or accelerate payment of any Perpetual Capital Security in the case of such Default in payment on such Perpetual Capital Security or a default in the performance of any other covenant of the Issuer in such Perpetual Capital Security or in the Trust Deed except as provided for in this Condition 11 and Clause 8 of the Trust Deed.

Subject to the subordination provisions as set out in Condition 3, in Clause 6 and Clause 8.3 of the Trust Deed, if a court order is made or an effective resolution is passed for the winding-up of the Issuer, there shall be payable on the relevant Perpetual Capital Securities, after the payment in full of all claims of all Senior Creditors, but in priority to holders of Junior Obligations of the Issuer and/or as otherwise specified in the applicable Pricing Supplement or in a supplement to the Offering Memorandum, such amount remaining after the payment in full of all claims of all Senior Creditors up to, but not exceeding, the nominal amount of the Perpetual Capital Securities together with Distribution accrued to the date of repayment.

(c) *Rights and Remedies upon Default*: If a Default in respect of the payment of principal of or Distribution on the Perpetual Capital Securities occurs and is continuing, the sole remedy available to the Trustee shall be the right to institute proceedings in Singapore (but not elsewhere) for the winding-up of the Issuer. If the Issuer shall default in the performance of any obligation contained in the Trust Deed, other than a Default specified in Condition 11(a), the Trustee and the Securityholders shall be entitled to every right and remedy given hereunder or thereunder or now or hereafter existing at law or in equity or otherwise, provided, however, that the Trustee shall have no right to enforce payment under or accelerate payment of any Perpetual Capital Security except as provided in this Condition 11(c) and Clause 8.3 of the Trust Deed. If any court awards money damages or other restitution for any default with respect to the performance by the Issuer of its obligations contained in the Trust Deed, the payment of such money damages or other restitution shall be subject to the subordination provisions set out herein and in Clause 6 and Clause 8.3 of the Trust Deed.

(d) *Entitlement of the Trustee*: The Trustee shall not be bound to take any of the actions referred to in Condition 11(b) or Condition 11(c) or Clause 8.3 of the Trust Deed or any other action under the Trust Deed unless (i) it shall have been so requested by an Extraordinary Resolution (as defined in the Trust Deed) of the Securityholders or in writing by the holders of at least one-quarter in nominal amount of the Perpetual Capital Securities then outstanding and (ii) it shall have been indemnified and/or secured to its satisfaction.

(e) *Rights of Holders*: No Securityholder shall be entitled to proceed directly against the Issuer or to institute proceedings for the winding-up of the Issuer in Singapore or to prove in any winding-up of the Issuer unless the Trustee, having become so bound to proceed (in accordance with the terms of the Trust Deed) or being able to prove in such winding-up, fails to do so within a reasonable period and such failure shall be continuing, in which case the Securityholder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise.

No remedy against the Issuer, other than as referred to in this Condition 11 and Clause 8 of the Trust Deed, shall be available to the Trustee or any Securityholder whether for the recovery of amounts owing in relation to or arising from the Perpetual Capital Securities and/or the Trust Deed or in respect of any breach by the Issuer of any of its other obligations relating to or arising from the Perpetual Capital Securities and/or the Trust Deed.

12 Meetings of Securityholders, Modification and Waiver

(a) **Meetings of Securityholders**: The Trust Deed contains provisions for convening meetings of Securityholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provision of the Trust Deed. Such a meeting may be convened by Securityholders holding not less than 10% in nominal amount of the Perpetual Capital Securities for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Perpetual Capital Securities for the time being outstanding, or at any adjourned meeting two or more persons being or representing Securityholders whatever the nominal amount of the Perpetual Capital Securities held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of redemption of the Perpetual Capital Securities or any date for payment of Distribution or Distribution Amounts on the Perpetual Capital Securities, (ii) to reduce or cancel the nominal amount of, or any premium payable on redemption of, the Perpetual Capital Securities, (iii) to reduce the rate or rates of Distribution in respect of the Perpetual Capital Securities or to vary the method or basis of calculating the rate or rates or amount of Distribution or the basis for calculating any Distribution Amount in respect of the Perpetual Capital Securities except as a result of any modification contemplated in Condition 4(l)), (iv) if a Minimum and/or a Maximum Rate of Distribution or Redemption Amount is shown in the applicable Pricing Supplement, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, (vi) to vary the currency or currencies of payment or the Specified Denomination of the Perpetual Capital Securities, (vii) to take any steps that as specified in the applicable Pricing Supplement may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (viii) to modify the provisions concerning the quorum required at any meeting of Securityholders or the majority required to pass the Extraordinary Resolution, (ix) to modify Condition 3 in respect of the Perpetual Capital Securities or (x) to sanction the exchange or substitution for the Perpetual Capital Securities of, or the conversion of the Perpetual Capital Securities into, shares, bonds or other obligations or securities of the Issuer or any other entity in circumstances other than where "Conversion" is specified in the applicable Pricing Supplement and as contemplated by such provisions in which case the necessary quorum shall be two or more persons holding or representing not less than 75%, or at any adjourned meeting not less than 25%, in nominal amount of the Perpetual Capital Securities for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on all Securityholders (whether or not they were present at the meeting at which such resolution was passed).

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 90% in nominal amount of the Perpetual Capital Securities outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Securityholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Securityholders.

The consent or approval of the Securityholders shall not be required in the case of amendments to these Conditions pursuant to Condition 4(l) to vary the method or basis of calculating the rate or rates or amount of distribution or the basis for calculating any Distribution Amount in respect of the Perpetual Capital Securities or for any other variation of these Conditions and/or the Agency Agreement required to be made in the circumstances described in Condition 4(l), where the requirements of Condition 4(l) have been satisfied (including the provision of a certificate to the Trustee, where applicable).

These Conditions may be amended, modified or varied in relation to any Series of Perpetual Capital Securities by the terms of the applicable Pricing Supplement in relation to such Series.

(b) **Modification of the Trust Deed and waiver**: The Trustee may agree, without the consent of the Securityholders, to (i) any modification of any of the provisions of the Trust Deed which is, in its opinion, of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provision of law, and (ii) any other modification (except as mentioned in the Trust Deed), and waive or authorize, on such terms as seem expedient to it, any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Securityholders. Notwithstanding any other provision of these Conditions or the Trust Deed, no modification to any Condition or any provision of the Trust Deed may be made without the prior approval of MAS where such modifications could impact the eligibility of the Perpetual Capital Securities as Additional Tier 1 Capital Securities. Any such modification, authorization or waiver shall be binding on the Securityholders and, if the Trustee so requires, such waiver or authorization shall be notified by the Issuer to the Securityholders as soon as practicable.

(c) **Entitlement of the Trustee**: In connection with the exercise of its functions (including but not limited to those referred to in this Condition 12(c)) the Trustee shall have regard to the interests of the Securityholders as a class and shall not have regard to the consequences of such exercise for individual Securityholders and the Trustee shall not be entitled to require, nor shall any Securityholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Securityholders.

13 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

Each Securityholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial position, creditworthiness, condition, affairs, status and nature of the Issuer and the Trustee shall not at any time have any responsibility for the same and each Securityholder shall not rely on the Trustee in respect thereof.

The Trustee may accept and rely without liability to Securityholders on a report, confirmation or certificate or any advice of any accountants, financial advisors, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. Such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee and the Securityholders.

14 Replacement of Certificates

If a Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Registrar or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Securityholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Certificate is subsequently presented for payment, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Certificates) and otherwise as the Issuer or such agent may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

15 Further Issues

The Issuer may from time to time without the consent of the Securityholders create and issue further securities either having the same terms and conditions as the Perpetual Capital Securities in all respects (or in all respects except for the first payment of Distribution on them) and so that such further issue shall be consolidated and form a single Series with the outstanding securities of any Series (including the Perpetual Capital Securities) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Perpetual Capital Securities include (unless the context requires otherwise) any other securities issued pursuant to this Condition 15 and forming a single Series with the Perpetual Capital Securities. Any further securities forming a single series with the outstanding securities of any Series (including the Perpetual Capital Securities) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Securityholders and the holders of securities of other Series where the Trustee so decides.

16 Notices

Notices to Securityholders will be valid if published in a daily newspaper of general circulation in Singapore (which is expected to be *The Business Times* but may be another leading daily English language newspaper with general circulation in Singapore) or for so long as the Perpetual Capital Securities are listed on the SGX-ST and the rules of the SGX-ST so require, on the website of the SGX-ST (www.sgx.com). Any such notice shall be deemed to have been given on the date of publication.

So long as the Perpetual Capital Securities are represented by the Global Certificate and the Global Certificate is held on behalf of (i) DTC, Euroclear or Clearstream, the Alternative Clearing System (as defined in the form of the Global Certificate) or CDP, notices to Securityholders shall be given by delivery of the relevant notice to DTC, Euroclear or Clearstream, the Alternative Clearing System or (subject to the agreement of CDP) CDP for communication by it to entitled accountholders in substitution for notification as required by these Conditions or (ii) CMU, notices to the holders of Perpetual Capital Securities of that Series may be given by delivery of the relevant notice to the persons shown in a CMU Instrument Position Report issued by the Hong Kong Monetary Authority on the business day preceding the date of dispatch of such notice, in each case except that if the Perpetual Capital Securities are listed on the SGX-ST, and the rules of the SGX-ST so require, notice will in any event be published as provided above.

A Trigger Event Notice or notice of the issue of a Bail-in Certificate to the holders of any Perpetual Capital Securities shall be deemed to have been validly given on the date on which such notice is published in a daily newspaper of general circulation in Singapore (which is expected to be *The Business Times* but may be another leading daily English language newspaper with general circulation in Singapore) or so long as the Perpetual Capital Securities are listed on the SGX-ST and the rules of the SGX-ST so require, published on the website of the SGX-ST (www.sgx.com). Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

17 Contracts (Rights of Third Parties) Act

No person shall have any right to enforce any term or condition of the Perpetual Capital Securities under (i) if the Perpetual Capital Securities are specified in the applicable Pricing Supplement as being governed by English law, the Contracts (Rights of Third Parties) Act 1999 or (ii) if the Perpetual Capital Securities are specified in the applicable Pricing Supplement as being governed by Singapore law, Contracts (Rights of Third Parties) Act 2001 of Singapore.

18 Governing Law and Jurisdiction

(a) **Governing Law**: The Trust Deed and, if the Perpetual Capital Securities are specified in the applicable Pricing Supplement as being governed by Singapore law, as supplemented by the Singapore Supplemental Trust Deed, the Perpetual Capital Securities and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English or Singapore law, as specified in the applicable Pricing Supplement, save that Condition 3(a), Condition 3(b), Condition 3(c), Condition 11(b) and Condition 11(c) are in all cases governed by, and shall be construed in accordance with, Singapore law.

(b) **Jurisdiction**:

(i) If the Perpetual Capital Securities are specified in the applicable Pricing Supplement as being governed by English law, the courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Perpetual Capital Securities, save that the courts of Singapore shall have exclusive jurisdiction to settle any disputes that may arise out of Conditions 3(a), 3(b), 3(c), 11(b) and/or 11(c), and accordingly any legal action or proceedings arising out of or in connection with any Perpetual Capital Securities ("**Proceedings**") may be brought in such courts. For Perpetual Capital Securities for which English law is specified as the governing law in the applicable Pricing Supplement, insofar as the Proceedings do not arise out of or are in connection with Conditions 3(a), 3(b), 3(c), 11(b) and/or 11(c), the Issuer irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the holders of the Perpetual Capital Securities and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not). Insofar as the Proceedings arise out of or are in connection with Conditions 3(a), 3(b), 3(c), 11(b) and/or 11(c), all parties irrevocably submit to the exclusive jurisdiction of the courts of Singapore and waive any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

(ii) If the Perpetual Capital Securities are specified in the applicable Pricing Supplement as being governed by Singapore law, the courts of Singapore are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Perpetual Capital Securities and accordingly any Proceedings shall be brought in such courts. For Perpetual Capital Securities for which Singapore law is specified as the governing law in the applicable Pricing Supplement, all parties irrevocably submit to the exclusive jurisdiction of the courts of Singapore and waive any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

(c) **Service of Process**: For Perpetual Capital Securities for which English law is specified as the governing law in the applicable Pricing Supplement, the Issuer has in the Trust Deed agreed that its branch in England shall accept service of process on its behalf in respect of any Proceedings in England. If such branch ceases to be able to accept service of process in England, the Issuer shall immediately appoint a new agent to accept such service of process in England.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

The following section does not apply to AMTNs and references in the following section to the "Issuing and Paying Agent", the "CMU Lodging and Paying Agent", the "CDP Paying Agent", the "U.S. Paying Agent" and the "Registrar" shall be to the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent and the Registrar in respect of Notes other than AMTNs.

Initial Issue of Notes

The Notes will be issued in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest (in respect of the Notes other than Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable and their issue price), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "**Tranche**") on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest (in respect of the Notes other than Perpetual Capital Securities) or Distributions (in respect of the Perpetual Capital Securities only), as applicable and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in a Pricing Supplement to this Offering Memorandum.

Global Notes and Global Certificates may be delivered on or prior to the original issue date of the Tranche to a common depositary or CDP or CMU or (in respect of Global Certificates) a custodian for DTC.

Upon the initial deposit of a Global Note with (i) CDP, (ii) a sub-custodian for the CMU, (iii) a common depositary for Euroclear and Clearstream (a "**Common Depositary**") or (iv) any other permitted clearing system (an "**Alternative Clearing System**") or registration of Registered Notes in the name of CDP or the HKMA as operator of the CMU or any nominee for Euroclear and Clearstream and delivery of the relevant Global Certificate to CDP, the CMU or Common Depositary for Euroclear or Clearstream (as the case may be) will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid. Upon the initial deposit of a Global Certificate in respect of, and registration of, Registered Notes in the name of a nominee for DTC and delivery of the relevant Global Certificate to the Custodian for DTC, DTC will credit each participant with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the applicable Pricing Supplement) other clearing systems through direct or indirect accounts with CDP and/or the CMU and/or Euroclear and Clearstream held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with CDP, the CMU, Euroclear, Clearstream or other clearing systems.

While any Note is represented by a Temporary Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date will be made against presentation of the Temporary Global Note only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by the CMU Lodging and Paying Agent and/or CDP and/or Euroclear and/or Clearstream and (in the case of a Temporary Global Note delivered to a Common Depositary for Euroclear and Clearstream) Euroclear and/or Clearstream, as applicable,

has given a like certification (based on the certifications it has received) to the Issuing and Paying Agent (in the case of Notes cleared through CMU), CMU has given a like certificate (based on the certification it has received) to the CMU Lodging and Paying Agent or (in the case of Notes cleared through CDP) CDP has given a like certificate (based on the certification it has received) to the CDP Paying Agent.

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of CDP, Euroclear, Clearstream, DTC or an Alternative Clearing System as the holder of a Note represented by a Global Note or a Global Certificate must look solely to CDP, Euroclear, Clearstream, DTC or any such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of CDP, Euroclear, Clearstream, DTC or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against us in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and our obligations will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

If a Global Note or Global Certificate is lodged with a sub-custodian for or registered with the CMU, the person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in accordance with the CMU Rules as notified by the CMU to the CMU Lodging and Paying Agent in a relevant CMU Instrument Position Report (as defined in the rules of the CMU) or any other relevant notification by the CMU (which notification, in either case, shall be conclusive evidence of the records of the CMU save in the case of manifest error) shall be the only person(s) entitled or in the case of Registered Notes, directed or deemed by the CMU as entitled to receive payments in respect of Notes represented by such Global Note or Global Certificate and we will be discharged by payment to, or to the order of, such person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in respect of each amount so paid. Each of the persons shown in the records of the CMU as the beneficial holder of a particular nominal amount of Notes represented by such Global Note or Global Certificate must look solely to the CMU Lodging and Paying Agent for his share of each payment so made by us in respect of such Global Note or Global Certificate.

Trustee's Powers

In considering the interests of Noteholders or Securityholders, as the case may be, while any Global Note is held on behalf of, or any Global Certificate is registered in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note or Global Certificate and may consider such interests as if such accountholders were the holders of the Notes represented by such Global Note or Global Certificate.

Exchange

Temporary Global Notes

Each Temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

(i) if the applicable Pricing Supplement indicates that such Global Note is issued in compliance with TEFRA C or in a transaction to which TEFRA is not applicable (as to which, see "Summary of the Program – Selling Restrictions"), in whole, but not in part, for the Definitive Notes defined and described below; and

(ii) otherwise, in whole or in part (provided that the relevant clearing system's rules so permit) upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement dated for interests in a Permanent Global Note or, if so provided in the applicable Pricing Supplement, for Definitive Notes.

The CMU may require that any such exchange for a Permanent Global Note is made in whole and not in part and in such event, no such exchange will be effected until all relevant account holders (as set out in a CMU Instrument Position Report or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU) have so certified.

Permanent Global Notes

Each Permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under "– Partial Exchange of Permanent Global Notes", in part for Definitive Notes:

(i) if the Permanent Global Note is held on behalf of Euroclear or Clearstream or the CMU or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or

(ii) if the Permanent Global Note is held on behalf of CDP, (a) an Event of Default or a Default, enforcement event or analogous event entitling an accountholder or the Trustee to declare the Notes due and payable as provided in the relevant Conditions, has occurred and is continuing, (b) CDP is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise), (c) CDP announces an intention permanently to cease business and no Alternative Clearing System is available or (d) CDP has notified us that it is unable or unwilling to act as depository for the Notes and to continue performing its duties as set out in the terms and conditions for the provision of depository services and no Alternative Clearing System is available.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a nominal amount of less than the minimum Specified Denomination will not receive a Definitive Note in respect of such holding and would need to purchase a nominal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of CDP, the CMU, Euroclear or Clearstream or an Alternative Clearing System, as the case may be.

For so long as a Permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such Permanent Global Note will be exchangeable in part on one or more occasions for Definitive Notes if so provided in, and in accordance with, the Conditions (which will be set out in the applicable Pricing Supplement) relating to Partly Paid Notes.

Global Certificate

Unrestricted Global Certificates

If the Pricing Supplement states that the Notes are to be represented by an Unrestricted Global Certificate on issue, the following will apply in respect of transfers of Notes held in CDP, the CMU, Euroclear or Clearstream, DTC or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system while they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system. Transfers of the holding of Notes represented by any Unrestricted Global Certificate pursuant to Note Condition 2(b) (in respect of the Notes other than Perpetual Capital Securities) and Perpetual Capital Securities Condition 2(a) (in respect of the Perpetual Capital Securities only) may be made:

(i) in whole or in part, if the Unrestricted Global Certificate is held on behalf of Euroclear or Clearstream, the CMU or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or

(ii) in whole or in part, if the Global Certificate is held on behalf of CDP, (a) an Event of Default or a Default, enforcement event or analogous event entitling an accountholder or the Trustee to redeem the Notes due and payable as provided in the Conditions, has occurred and is continuing, (b) CDP is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise), (c) CDP announces an intention permanently to cease business and no Alternative Clearing System is available or (d) CDP has notified us that it is unable or unwilling to act as depository for the Notes and to continue performing its duties as set out in the terms and conditions for the provision of depository services and no Alternative Clearing System is available; or

(iii) in whole but not in part, if such Notes are held on behalf of a Custodian for DTC and if DTC notifies us that it is no longer willing or able to discharge properly its responsibilities as depository with respect to that Unrestricted Global Certificate or DTC ceases to be a "clearing agency" registered under the Exchange Act or is at any time no longer eligible to act as such, and we are unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC; or

(iv) in whole or in part, with our consent,

provided that, in the case of the first transfer of part of a holding pursuant to paragraphs (i), (ii) and (iii) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

Restricted Global Certificates

If the Pricing Supplement states that the Restricted Notes are to be represented by a Restricted Global Certificate on issue, the following will apply in respect of transfers of Notes held in DTC. These provisions will not prevent the trading of interests in the Notes within a clearing system while they are held on behalf of DTC, but will limit the circumstances in which the Notes may be withdrawn from DTC. Transfers of the holding of Notes represented by that Restricted Global.

Certificate pursuant to Note Condition 2(b) (in respect of the Notes other than Perpetual Capital Securities) and Perpetual Capital Securities Condition 2(a) (in respect of the Perpetual Capital Securities only) may only be made:

(i) in whole but not in part, if such Notes are held on behalf of a Custodian for DTC and if DTC notifies us that it is no longer willing or able to discharge properly its responsibilities as depository with respect to that Restricted Global Certificate or DTC ceases to be a "clearing agency" registered under the Exchange Act or is at any time no longer eligible to act as such, and we are unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC; or

(ii) in whole or in part, with our consent,

provided that, in the case of any transfer pursuant to paragraph (i) above, the relevant Registered Holder has given the relevant Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer. Individual Certificates issued in exchange for a beneficial interest in a Restricted Global Certificate shall bear the legend applicable to such Notes as set out in "Transfer Restrictions".

Partial Exchange of Permanent Global Notes

For so long as a Permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such Permanent Global Note will be exchangeable in part on one or more occasions for Definitive Notes if so provided in, and in accordance with, the Note Conditions (which will be set out in the applicable Pricing Supplement) relating to Partly Paid Notes.

Delivery of Notes

On or after any due date for exchange, the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the relevant Paying Agent. In exchange for any Global Note, or the part thereof to be exchanged, we will (i) in the case of a Temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a Temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes. Global Notes and Definitive Notes will be delivered outside the United States and its possessions. In this Offering Memorandum, "**Definitive Notes**" means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest (in respect of the Notes other than Perpetual Capital Securities) or Installment Amounts that have not already been paid on the Global Note and, if applicable, a Talon). Definitive Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each Permanent Global Note, we will, if the holder so requests, procure that it is canceled and returned to the holder together with the relevant Definitive Notes.

Exchange Date

"**Exchange Date**" means, in relation to a Temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a Permanent Global Note, a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the relevant Paying Agent is located and in the city in which the relevant clearing system is located.

Amendment to Conditions

The Temporary Global Notes, Permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the Conditions set out in this Offering Memorandum. The following is a summary of certain of those provisions:

Payments

Except in the case of Definitive Notes where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Pricing Supplement, interest shall be calculated in respect of any period by applying the rate of interest or Distribution to:

(A) in the case of Fixed Rate Notes or Perpetual Capital Securities which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes or Perpetual Capital Securities represented by such Global Note (or, if they are Partly Paid Notes, the aggregate amount paid up); or

(B) in the case of Fixed Rate Notes or Perpetual Capital Securities in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction.

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a Permanent Global Note or for Definitive Notes is improperly withheld or refused. Payments on any Temporary Global Note issued in compliance with TEFRA D before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Noteholders or the Securityholders, as the case may be, for such purpose. A record of each payment so made will be endorsed on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "business day" set out in Note Condition 7(j) (in respect of the Notes other than the Perpetual Capital Securities).

All payments made in respect of Notes represented by a Global Certificate held on behalf of Euroclear or Clearstream will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means Monday to Friday inclusive except December 25 and January 1.

In respect of a Global Note or a Global Certificate representing Notes held through the CMU, any payments of principal, interest (if any) or any other amounts shall be made to the person(s) for whose account(s) interests in the relevant Global Note or Global Certificate are credited (as set out in a CMU Instrument Position Report or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU) at the close of business on the Clearing System Business Day immediately prior to the date for payment and, save in the case of final payment, no presentation of the relevant bearer Global Note or Global Certificate shall be required for such purpose.

So long as the Notes are represented by a Global Note or Global Certificate and the Global Note or, as the case may be, the Global Certificate is held on behalf of a clearing system, the Issuer has promised, *inter alia*, to pay interest or, as the case may be, Distributions in respect of such Notes from the Interest Commencement Date, or as the case may be, the Distribution Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Notes represented by the Global Note, or as the case may be, the Global Certificate.

All amounts payable to DTC or its nominee as registered holder of a Global Certificate in respect of Notes denominated in a specified currency other than U.S. dollars shall be paid by transfer by the U.S. Paying Agent to an account in the relevant specified currency of the Exchange Agent on behalf of DTC or its nominee for conversion into and payment in U.S. dollars unless the participant in DTC with an interest in the Notes has elected to receive any part of such payment in that Specified Currency, in the manner specified in the Agency Agreement and in accordance with the rules and procedures for the time being of DTC. In the case of any payment in respect of a Global Certificate denominated in a specified currency other than U.S. dollars and registered in the name of DTC or its nominee and in respect of which an accountholder of DTC (with an interest in such Global Certificate) has not elected to receive any part of such payment in a specified currency other than U.S. dollars, the definition of "business day" set out in Note Condition 7(j) and Perpetual Capital Securities Condition 8(e) shall also include a day on which commercial banks are not authorized or required by law or regulation to be closed in New York City.

All payments made in respect of Notes represented by a Global Certificate held by CDP will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the fifth business day prior to the date of payment.

Suspension of Transfers on Trigger Event

Subject to the procedures of CDP, the CMU, DTC, Euroclear or Clearstream, as applicable (in the case of Subordinated Notes or Perpetual Capital Securities held and cleared through CDP, the CMU, DTC, Euroclear or Clearstream, as the case may be), transfers of Subordinated Notes represented by the Global Notes or the Global Certificates and transfers of Perpetual Capital Securities represented by Global Certificates shall be suspended during any Suspension Period. As a result, holders will not be able to settle the transfer of any such Subordinated Notes or Perpetual Capital Securities from the commencement of the Suspension Period, and any sale or other transfer of such Subordinated Notes or Perpetual Capital Securities that a holder may have initiated prior to the commencement of the Suspension Period that is scheduled to settle during the Suspension Period will be rejected by CDP, the CMU, DTC, Euroclear or Clearstream, as applicable and will not be settled within CDP, the CMU, DTC, Euroclear or Clearstream, as the case may be.

Prescription

Claims against us in respect of Notes that are represented by a Permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest (in respect of the Notes other than the Perpetual Capital Securities)) from the appropriate Relevant Date (as defined in Note Condition 8).

Meetings

The holder of a Permanent Global Note or of the Notes represented by a Global Certificate shall (unless such Permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders or Securityholders, as the case may be, and, at any such meeting, the holder of a Permanent

Global Note shall be treated as having one vote in respect of each minimum Specified Denomination of Notes for which such Global Note may be exchanged. All holders of Registered Notes are entitled to one vote in respect of each Note comprising such Noteholder's or Securityholder's, as the case may be, holding, whether or not represented by a Global Certificate.

Cancelation

Cancelation of any Note represented by a Permanent Global Note that is required by the Note Conditions to be canceled (other than upon its redemption) will be effected by reduction in the principal amount of the relevant Permanent Global Note.

Purchase

Notes represented by a Permanent Global Note may only be purchased by us or any of our subsidiaries if they are purchased together with the rights to receive all future payments of interest (in respect of the Notes other than the Perpetual Capital Securities) and Installment Amounts (if any) thereon.

Issuer's Option

Any of our options provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Note shall be exercised by us giving notice to the Noteholders within the time limits set out in and containing the information required by the Note Conditions, in accordance with the rules and procedures of Euroclear and Clearstream and any Alternative Clearing System, as applicable, except that the notice shall not be required to contain the serial numbers of Bearer Notes drawn, in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any of our options are exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and/or Clearstream (to be reflected in the records of Euroclear and Clearstream as either a pool factor or a reduction in nominal amount, at their discretion), CDP, the CMU, DTC or any other clearing system (as the case may be).

Noteholders'/Securityholders' Options

Any option of the Noteholders or the Securityholders, as the case may be, provided for in the relevant Conditions of any Notes while such Notes are represented by a Permanent Global Note or Global Certificate may be exercised by the holder of the Permanent Global Note or Global Certificate giving notice to the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent and, in the case of Notes cleared through CDP, the CDP Paying Agent and, in case of Notes cleared through DTC, the U.S. Paying Agent) within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Bearer Notes, or in the case of Registered Notes shall not be required to specify the nominal amount of Registered Notes and the holder(s) of such Registered Notes, in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time presenting the Permanent Global Note or Global Certificate to the Issuing and Paying Agent, or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent or, in the case of Notes cleared through CDP, the CDP Paying Agent (or, in case of Notes cleared through DTC, the U.S. Paying Agent), or to a Paying Agent acting on behalf of the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent or, as the case may be, the U.S. Paying Agent, for notation.

Direct Rights in respect of Notes cleared through CDP

If any Event of Default or Default has occurred and is continuing, the Trustee may state in a notice given to the CDP Paying Agent and us (the "**default notice**") the nominal amount of Notes (which may be less than the outstanding nominal amount of the relevant Global Note or Unrestricted Global Certificate) which is being declared due and payable. Following the giving of the default notice, the holder of the Notes represented by the relevant Global Note or Unrestricted Global Certificate, as the case may be, cleared through CDP may (subject as provided below) elect that direct rights ("**Direct Rights**") under the provisions of the deed of covenant executed as a deed by us on August 31, 2012 as supplemented on March 9, 2018 (the "**CDP Deed of Covenant**") shall come into effect in respect of a nominal amount of Notes up to the aggregate nominal amount in respect of which such default notice has been given. Such election shall be made by notice to the CDP Paying Agent and the Registrar in the case of the Global Certificate and presentation of the relevant Global Note or Unrestricted Global Certificate, as the case may be, to or to the order of the Issuing and Paying Agent for reduction of the nominal amount of Notes represented by the relevant Global Note or Unrestricted Global Certificate, as the case may be, by such amount as may be stated in such notice and by endorsement of the appropriate Schedule hereto of the nominal amount of Notes in respect of which Direct Rights have arisen under the CDP Deed of Covenant. Upon each such notice being given, the Global Note or Global Certificate, as the case may be, shall become void to the extent of the nominal amount stated in such notice, save to the extent that the appropriate Direct Rights shall fail to take effect. No such election may however be made on or before the Exchange Date or the date of transfer in respect of an Unrestricted Global Certificate unless the holder elects in such notice that the exchange for such Notes shall no longer take place.

Notices

So long as any Notes are represented by a Global Note or Global Certificate and such Global Note or Global Certificate is held on behalf of a (i) clearing system (other than CMU), notices to the Noteholders or the Securityholders, as the case may be, of that Series may be given by delivery of the relevant notice to that clearing system (subject, in the case of the Global Note or Global Certificate held by CDP, to the agreement of CDP) for communication by it to entitled accountholders in substitution for publication as required by the relevant Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate or (ii) the CMU, notices to the holders of Senior Notes of that Series may be given by delivery of the relevant notice to the CMU, and any such notice shall be deemed to have been given to the holders of Notes of that Series on the day on which such notice is delivered to the CMU, in each case except that if the Notes are listed on the SGX-ST, and the rules of the SGX-ST so require, notice will in any event be published in accordance with the relevant Conditions.

Partly Paid Notes

The provisions relating to Partly Paid Notes are not set out in this Offering Memorandum, but will be contained in the applicable Pricing Supplement and thereby in the Global Notes or the Global Certificates. While any installments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a Global Note or a Global Certificate representing such Notes may be exchanged for an interest in a Permanent Global Note, for Definitive Notes or for Certificates (as the case may be). If any Noteholder fails to pay any installment due on any Partly Paid Notes within the time specified, we may forfeit such Notes and shall have no further obligation to their holder in respect of them.

USE OF PROCEEDS

The proceeds of Notes issued under the Program will be used for general corporate purposes.

BUSINESS

Overview

We are the longest established Singapore bank, formed in 1932 through the merger of three local banks, the oldest of which was founded in 1912. We are now the second largest financial services group in Southeast Asia by assets and one of the world's most highly-rated banks, with Aa1 rating by Moody's and AA- by both Fitch and S&P. Recognized for our financial strength and stability, we are consistently ranked among the World's Top 50 Safest Banks by Global Finance and have been named Best Managed Bank in Singapore by The Asian Banker. We are listed on the SGX-ST and are one of the largest listed companies in Singapore by market capitalization. Our market capitalization was approximately S$51.2 billion as of December 31, 2021, based on the closing price of our ordinary shares.

Our key markets are Singapore, Malaysia, Indonesia and Greater China. As of December 31, 2021, we have more than 430 branches and representative offices in 19 countries and regions. These include over 210 branches and offices in Indonesia under subsidiary Bank OCBC NISP, and over 60 branches and offices in Mainland China, Hong Kong and Macau under OCBC Wing Hang, and nearly 40 branches in Malaysia under OCBC Bank (Malaysia) Berhad ("**OCBC Malaysia**").

We offer a broad array of commercial banking, specialist financial and wealth management services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services. We employ more than 30,000 staff globally.

Insurance, private banking, asset management and stockbroking are conducted mainly through our subsidiaries. Our 87.9%-owned insurance subsidiary, Great Eastern Holdings, which is listed on the SGX-ST, is the oldest and most established life insurance group in Singapore and Malaysia and is a significant contributor to our earnings. Our subsidiary Great Eastern General Insurance Limited ("**GEG**") also has a 95% stake in PT QBE General Insurance Indonesia, which is part of its broader business strategy to further build its general insurance operations into a major business pillar and to deepen its footprint in Indonesia. Our private banking services are provided by our wholly-owned subsidiary Bank of Singapore, which operates on a unique open-architecture product platform to source for the best-in-class products to meet its clients' goals. Bank of Singapore had US$124 billion in assets under management as of December 31, 2021. Our asset management subsidiary, Lion Global Investors Limited ("**Lion Global**"), is one of the largest private sector asset management companies in Southeast Asia, with assets under management of S$70.7 billion as of December 31, 2021.

As of December 31, 2021, we had S$542,187 million in assets, including S$286,281 million in net loans to customers, S$342,395 million in non-bank customer deposits and S$52,663 million in shareholders' equity (excluding non-controlling interests).

For the financial year ended December 31, 2021, we reported profit attributable to equity holders of OCBC Bank of S$4,858 million. Our Singapore operations accounted for 53% of profit before income tax and 59% of total assets in the financial year ended December 31, 2021, our Greater China operations accounted for 22% of profit before income tax and 16% of total assets in the financial year ended December 31, 2021, our Malaysia operations accounted for 15% of profit before income tax and 12% of total assets in the financial year ended December 31, 2021, and our Indonesian operations accounted for 6% of profit before income tax and 4% of total assets in the financial year ended December 31, 2021.

We have received numerous awards, including: "Among the World's Top 50 Safest Banks" (Global Finance 2017), "Among the World's Top 10 Commercial Banks" (Global Finance 2017), "Strongest Bank in Singapore" (The Asian Banker 500 Strongest Banks in Asia Pacific 2017), "Best in Sector (Finance) and Fastest Growing Company in Finance Sector" (The Edge Singapore Billion Dollar Club '17), "Best Bank in Asia-Pacific" and "World's Best Consumer Bank" (Global Finance 2019), Best Managed Bank during COVID-19" (The Asian Banker Leadership Achievement Awards), "ASEAN Best SME Bank (Asian Banking & Finance) and "Best SME Bank in Southeast Asia" (Alpha Southeast Asia) and "Best SME Bank in Singapore" (Alpha Southeast Asia 2020), "Best SME Bank in Indonesia" (Alpha Southeast Asia), "Best Trade Finance Bank in Singapore" (Alpha Southeast Asia), "Best Private Bank – Fund Advisory" (Asian Private Banker), "Singapore Corporate Governance Award – Runner Up" (Securities Investors Association, Singapore), "Best for Investment Research in Singapore" (Asiamoney Private Banking Awards), "Best Private Bank for Digital Customer Service in Asia" (PWM Wealth Tech Awards), "Best Branch Digitalization Implementation" (The Asian Banker Financial Technology Innovation Awards).

Strengths

Established regional franchise, with a strong focus on further building our wealth management business

We are the second largest financial services group in Southeast Asia by total assets as of December 31, 2021, with established franchises in our key markets of Singapore, Malaysia, Indonesia and Greater China. We have a strong global network of branches and representative offices in 19 countries and regions, with Singapore and Hong Kong serving as key hubs connecting customers in our global footprint. As a leading Asian financial services group with a broad geographical footprint in North and Southeast Asia, we continue to build a resilient and diversified business that generates sustainable long-term value for shareholders, customers and the community. We are strategically positioned to capture the rising Asian wealth and ASEAN-Greater China trade and investment with our global footprint and well-established business franchise.

Our key banking subsidiaries include OCBC Malaysia, which is among the leading foreign banks by assets, loans, deposits and branch network size. Bank OCBC NISP which is among the top ten national banks by assets in Indonesia and OCBC Wing Hang Bank which has a strong presence in Greater China, give us a sizeable platform to tap into the increasing trade links between Greater China, in particular the Greater Bay Area, and ASEAN, to secure onshore and offshore business opportunities associated with the growing internationalization of the Renminbi and partner more Chinese companies that are investing offshore. Our stronger deposit franchise in the region and enhanced access to the U.S. dollar and Renminbi enables us to better support our customers' cross-border requirements. We also expect to see significant opportunities for cross-selling wealth management and bancassurance products across the Group's customer base. Our strong presence in Greater China coupled with our long and penetrating establishment in Southeast Asia will allow us to capture the increasing opportunities from growing connectivity, such as capital, wealth and trade flows.

Our wholly-owned subsidiary Bank of Singapore is our private banking arm providing advisory services and products to our high net worth customers. Our wealth management franchise has grown significantly over the last decade into a leading regional franchise. We acquired both Barclays and National Australia Bank's Private Wealth businesses in Singapore and Hong Kong. We also grew our wealth management footprint in Indonesia with the launch of onshore private banking services. Bank of Singapore opened a branch in the Dubai International Financial Centre to serve customers in the Middle East and had also established its wealth management subsidiary, BOS Wealth Management Europe, in Luxembourg (and branch office in London) that further positions us to capture opportunities in Europe. Our private banking services operates on a unique open-architecture product platform to source for the best-in-class products to meet its clients' goals. Our Group Wealth Platform ("**GWP**") extends across all customer segments from Bank of Singapore's private banking to OCBC's Premier customers, and taps on wealth management

expertise and synergies across the Group. Bank of Singapore won many awards over the years which is a testament to our wealth management franchise strength. We also continue to work closely with Bank of Ningbo, our 20% associated company, leveraging mutual strengths in product and business development, in areas such as offshore financing, trade finance, private banking, treasury and fund management. We also invested heavily to position OCBC as a digitally-empowered bank, and established collaboration and partnerships with regional banks and strategic partners such as fintechs and e-commerce platforms to provide holistic and innovative financial solutions. Our presence in North and Southeast Asia is attractive to customers who seek to capture opportunities both within and beyond their home markets.

Our insurance business is carried out by our 87.9%-owned subsidiary, Great Eastern Holdings, which is a well-established market leader and trusted brand in Singapore and Malaysia. With over S$100 billion in assets as of December 31, 2021 and more than 10 million policyholders, including 7.5 million from government schemes, it provides insurance solutions to customers through three successful distribution channels – a tied agency force, bancassurance and a financial advisory firm, Great Eastern Financial Advisers. The Group also operates in Indonesia and Brunei and has a presence in China as well as a representative office in Myanmar. Two of Great Eastern Holdings' key operating subsidiaries, Great Eastern Life Assurance Company Limited ("**Great Eastern Life**") and GEG, have been assigned the financial strength and counterparty credit ratings of "AA-" by Standard and Poor's since 2010, one of the highest among Asian life insurance companies. Lion Global, a wholly-owned subsidiary, is one of the largest private sector asset management companies in Southeast Asia.

Our wealth management income comprises the consolidated income from insurance, premier and private banking, asset management and stockbroking. Wealth management has been a key component of our strategy, contributing 37% of our income for the financial year ended December 31, 2021, and we continue to focus on building this business. We are a major distributor of unit trusts and bancassurance products to the mass market segment, and have strong insurance, asset management, private banking, stock brokerage and treasury capabilities that collectively contribute to our wealth management business.

Resilient business franchise performance

In the financial year ended December 31, 2021 we reported profit attributable to equity holders of S$4,858 million, 35% higher than S$3,586 million for the financial year ended December 31, 2020, underpinned by strong growth in non-interest income and lower allowances, which offset a decline in net interest income amid a low interest rate environment. We reported profit attributable to equity holders of S$3,586 million in the financial year ended December 31, 2020, 26% lower as compared to S$4,869 million in the financial year ended December 31, 2019, largely due to decline in net interest margin ("**NIM**") as a result of the sharp drop in market interest rates and higher expected credit loss allowances to buffer against the deterioration in macroeconomic conditions.

We maintain disciplined cost management practices; the following set out the cost-to-income ratios for each of the three-month periods beginning October 1, 2020:

(a) For the three-month period ended December 31, 2020, our cost-to-income ratio was 45.3%;

(b) For the three-month period ended March 31, 2021, our cost-to-income ratio was 39.4%;

(c) For the three-month period ended June 30, 2021, our cost-to-income ratio was 44.3%;

(d) For the three-month period ended September 30, 2021, our cost-to-income ratio was 46.4%; and

(e) For the three-month period ended December 31, 2021, our cost-to-income ratio was 50.5%.

Diversified loan book with strong growth drivers

We have a diversified loan book, by both geography and industry, and our policy is to maintain a diversified customer loan portfolio without significant concentrations in any single customer or group of customers. As of December 31, 2021, Singapore accounted for 39.9% of our loans to customers, while international markets, including mainly Malaysia, Indonesia and Greater China, accounted for 60.1% of our loans to customers. By industry classification, loans to the building and construction industry form the largest segment of our loan portfolio, yet only represented 28.1% of our loans to customers as of December 31, 2021.

We have seen healthy loan growth in most of our key markets over the last three years. From the financial year ended December 31, 2019 to the financial year ended December 31, 2021, our Singapore loans grew at a compound growth rate of 3.0%. Our international loans (including Malaysia, Indonesia and Greater China) grew at a compound growth rate of 5.7% over the same period. Our total loans grew at a compound growth rate of 4.6% over the same period.

Due to COVID-19, we saw a fall in consumer and trade-related credit demand as economic activity slowed in 2020. In 2021, gradual progress has been made in rolling out the vaccination programs together with the restoration of economic and social activities. There is cautious optimism that with successful containment of COVID-19, economic recovery will resume as the year progresses. There are emerging signs of segmental recovery as reduced anxiety around COVID-19 has improved consumer sentiments and business confidence. GDP growth is also expected to be higher from the low base of 2020. However, uncertainties remain with risks of setback arising from the emergence of new and more contagious virus variants, plus delays in the progress of vaccinations. In the meantime, the large fiscal spending and massive monetary stimulus enacted by major advanced economies are expected to provide support for activities to recover. Excessive liquidity and low interest rate environment have, however, led to rising debt levels, fueled financial market exuberance, elevated financial asset prices and exacerbated the income disparity. Going into 2022, Asia is expected to be the fastest growing region with the GDP of our key markets expected to grow between 2.0% and 5.5%. Rising vaccination rates will allow economies to reopen as COVID-19 evolves into a livable endemic and liberalization of international travel and easing of movement restrictions should boost consumption. Furthermore, the potential U.S. Fed interest rate hikes would provide net interest income uplift. We expect loan momentum to remain healthy as the global economy recovers and consumer sentiments and business confidence improve. Nonetheless, we remain watchful of potential headwinds such as tapering of stimulus measures and tightening of U.S. monetary and fiscal policies, inflationary pressure from supply chain disruptions, rising energy prices and higher wages, emergence of new COVID-19 variants that could prolong the pandemic and an uncertain geopolitical environment. We will remain watchful of near-term impact on earnings growth and continue our vigilance over vulnerable sectors. We will also continue to focus on asset composition and cost control that are in line with revenue expectations.

Comprehensive risk management framework and healthy asset quality

We have a comprehensive enterprise-wide risk management framework that encompasses good governance, sound policies, robust lines of defense, right expertise and continuous investment in human resources, technology and digital capabilities, underpinned by a strong corporate culture that demands accountability, ownership and high ethical standards. Our credit risk management framework includes a disciplined process for identifying target markets and setting risk acceptance criteria, regular portfolio reviews and stress testing, a strong emphasis on early problem loan recognition and effective remedial actions, an independent credit risk review function, and adequate staffing and training. Our credit risk management framework captures the complete credit risk management cycle. It is operationalized through policies and procedures covering the identification, assessment, measurement, monitoring and control of credit risk at the enterprise level. We also have a Responsible Financing framework and supporting policies that

integrate Environmental, Social and Governance ("**ESG**") considerations into our credit risk evaluation and approval process. Through the framework, sustainability is integrated across our corporate lending activities from strategic and portfolio to transaction level. Please refer to our Sustainability Report for more information on responsible financing.

Consistent application of these risk management policies and processes has contributed to a steady state in our asset quality over the past ten years. Our NPL ratio, defined as the ratio of non-performing loans to gross non-bank loans, was 1.5% as of December 31, 2021, 2020 and 2019.

Sound liquidity and funding structure

We actively manage our liquidity and funding positions to diversify our funding sources and achieve greater cost efficiency. Our funding mix is diversified: as of December 31, 2021, non-bank deposits formed 76.8% of our total funding requirements (total equity and total liabilities excluding life insurance fund liabilities), with low cost current account and savings deposits comprising 63.3% of total non-bank deposits.

Our sources of liquidity are stable: 14.7% of our total assets (excluding the life insurance fund investment securities and other assets) are in cash and placement with central banks, treasury bills and government securities as of December 31, 2021. We also have a U.S.$10.0 billion Euro Commercial Paper Program, a U.S.$25.0 billion U.S. Commercial Paper Program, and a U.S.$10.0 billion Global Covered Bond Program, each of which can be tapped to diversify our funding sources. In addition, we have a net loans to non-bank customers to non-bank customer deposits ratio of 83.6% as of December 31, 2021.

Strong capital and liquidity ratios

We maintain a strong capital position to support business growth and strategic investments and to sustain investor, customer and market confidence. As of December 31, 2021, our CET1 CAR, Tier 1 CAR and Total CAR were 15.5%, 16.0% and 17.6%, respectively. These ratios were well above the regulatory minima of 6.5%, 8.0% and 10.0%, respectively.

As of December 31, 2021, our leverage ratio of 7.7% was also above the 3.0% minimum regulatory requirement.

We continue to have strong liquidity buffers. During the last quarter of 2021, the average Singapore dollar and all currency liquidity coverage ratios for the Group were 324% and 159%, respectively. As of December 31, 2021, our net stable funding ratio was 121%, above the 100% minimum regulatory requirement.

Strategy

Our strategy of deepening our presence in Singapore and key overseas markets of Malaysia, Indonesia and Greater China provides us with excellent growth opportunities in our three business pillars of banking, wealth management, and insurance. Anchored by a stable operating platform, we are well-placed to capitalize on the wealth, trade, insurance and capital flows within Asia, and between Asia and the world. We seek to deliver sustainable growth through franchise expansion with a robust capital base and prudent risk management. Our long-term strategy of maintaining a well-diversified customer base and earnings diversification with strong capital funding and liquidity positions remain unchanged.

At the same time, our strategy takes into account key global megatrends that would shape our future growth and positioning. The first would be rising Asian wealth that has already happened over the past few years and is likely to continue into the future as changing demographics in our key overseas markets, including social progression and the expansion of the middle class, is driving rapid wealth creation. Shifts in global supply chains continue to drive new opportunities in supply chain transformation and logistics, on-shore and near-shore manufacturing. The progressive reduction in trade barriers following the roll-out of the Regional Comprehensive Economic Partnership – the world's largest free trade agreement which was signed at the end of 2020 – among ASEAN, China, Japan, South Korea, Australia and New Zealand, can be expected to act as an additional catalyst to boost cross-border real investments, intra-regional trade, as well as capital and wealth flows across Asia. Our network strength and twin-hub capabilities of Singapore and Hong Kong position us well to capture the increasing ASEAN-Greater China flows to grow strategic value along the regional corridor.

We are also well-placed to support customer activities in consolidations, privatizations, overseas diversification and restructuring from the rebalancing of economies and reinventing business models. Policies, products and services will have to be geared to recognize these developing megatrends. Digitalization will also continue. The operating environment is rapidly advancing towards a knowledge-driven and highly-connected society led by digital innovations and applications. Post COVID-19, we expect that there will be reinvention of business operations, ecosystems and engagement models towards digital platforms driven by real-time transactions and powered by big data, analytics and artificial intelligence. We will deepen our banking relationship with high-growth and emerging sectors by partnering new digital players and investing and developing digital assets and tokenization capabilities and customer propositions. At the same time, the liberalization of the banking sector and the emergence of a broad spectrum of new financial service providers, encompassing digital banks, fintech, Big Tech, e-commerce and social platforms, and the advent of open banking and digital currencies will dramatically reshape the whole financial system. In response, we have been steadily transforming through accelerating investments in digitalization and data analytics, embedding the "Agile" concept into the way we operate, upskilling our employees, intensifying our digital offerings and elevating customer experience excellence to create greater value through customer journeys.

However, it is important to also be highly cognizant of the risks associated with digitalization and ensure that cyber security risks are very carefully managed. Other threats include rising protectionism and populism, which will need particular attention when expanding operations to ensure policy risks are well managed. On sustainability, we strive to become a regional leader in sustainable and responsible banking for a low-carbon economy. We are focused on building a sustainable future by embedding responsible and sustainable business practices in everything we do and will align our policies and practices along a sustainability objective and drive transition to a sustainable low-carbon world. We are developing a comprehensive suite of sustainable financing and investment propositions to capture green opportunities as our customers and communities transition to a low-carbon world. We are creating a decarbonization pathway for operational and financed emissions and aim to achieve carbon neutrality for OCBC's banking operational emissions in 2022. We are the first bank in Southeast Asia to adopt the Poseidon Principles, were awarded an AA rating for the MSCI ESG Ratings Assessment and have published our first Task Force on Climate-Related Financial Disclosures report in 2021.

Our strong track record of delivering sustainable earnings over economic cycles will help us to retain our customer franchise and employee franchise.

Critical to our business are our people. We plan to continue to attract, retain and develop the best talent to be future-ready. We seek to enable our employees to realize their full potential through a culture of learning, that also prioritizes their safety and well-being.

Customers at the forefront

We value the trust and confidence that our customers place in us and are fully committed to helping them achieve their aspirations, by providing comprehensive and innovative financial services that meet their needs. Our distinct competitive strength comes from our comprehensive banking, wealth management and insurance franchise that offers an integrated service platform in meeting our customers' financial needs.

The connectivity of our regional network will be enhanced to support our customers' growing cross-border activities. We will intensify our efforts to innovate and digitize, and extract further value from our investments.

Our leading regional wealth management franchise is further poised to tap on the rising affluence in our key markets. We will focus on extending Bank of Singapore's position as "Asia's Global Private Bank" through best-in-class product architecture platform and proprietary research. We will expand our regional Premier Banking proposition, and further extend our presence in the growing emerging affluent market segment, including in the Middle East.

At the same time, we remain focused on delivering a superior and differentiated customer experience with collaborative business models across geographies, entities and products in order to gain a sustainable competitive advantage. The key elements in improving service delivery include leveraging customer insights to develop and implement superior customer value propositions, focusing on quality and investing in customer experience delivery capabilities across our Group.

The COVID-19 pandemic has caused significant uncertainties and has impacted individuals and businesses globally. We have extended targeted relief measures to support impacted customers, including principal moratorium, bridging loans and additional working capital lines. At the same time, we have been reaching out to customers so that customers understand that help is available and can be provided quickly. We also work closely with government agencies to help bring our affected customers back to their normal state after the pandemic subsidies.

Deepening our presence in Singapore, Malaysia, Indonesia and Greater China

In addition to maintaining our strong market position in our home market, we continue to deepen our presence in Malaysia, Indonesia and Greater China through improving the customer experience, expanding our distribution network and broadening our capabilities.

In Malaysia, we are among the largest foreign banks by assets, loans, deposits and branch network size. OCBC Al-Amin Bank Berhad ("**OCBC Al-Amin**"), our Islamic banking subsidiary, was the first Singapore-based Islamic Bank established in Malaysia in 2008, and Great Eastern Life Insurance (Malaysia) Berhad is one of the largest insurance companies by asset size and agency force in Malaysia. In Indonesia, we are among the top ten national banks by assets as of December 31, 2021 and we continuously drive collaboration between Bank OCBC NISP and the Group to capture synergies across the Group. We acquired a 95.1% stake in PT OCBC Sekuritas Indonesia ("**OCBC Sekuritas**") which provided us with an added platform for our expanding wealth management franchise in Indonesia. We also grew our wealth management footprint in Indonesia with the launch of onshore private banking services. GEG also acquired 95% of the share capital of PT QBE General Insurance Indonesia, aiming to build its general insurance operations into a major business pillar and to deepen its footprint in Indonesia. In Greater China, our larger combined presence with OCBC Wing Hang, gives us a sizeable platform to tap into the increasing trade links between Greater China, in particular the Greater Bay Area, and ASEAN, to secure onshore and offshore business opportunities associated with the growing internationalization of the Renminbi and partner more Chinese companies that are investing offshore. Our stronger deposit franchise in the region and enhanced access to the U.S. dollar and Renminbi enables us to better support our customers' cross-border requirements. To capture

increased trade and investment flows towards ASEAN and Greater China to grow our strategic value along the regional corridor, we are harnessing our twin-hub capabilities of Singapore and Hong Kong and bolstering our transaction banking and investment banking propositions. We also expect to see significant opportunities for cross-selling wealth management and bancassurance products across the Group's customer base. OCBC Wing Hang Bank partnered with China's Ping An Bank on China's Wealth Management Connect scheme to provide two-way wealth management services in the Greater Bay Area. In order to deepen wealth management capacities to enhance our competitive position, we are focusing on enhancing our GWP to deliver best-in-class wealth management offerings, strengthening hub capabilities across Singapore, Hong Kong, Dubai, and London to capture growth and building up regional wealth teams in key markets. In addition, we continue to work closely with Bank of Ningbo, our 20% associated company, leveraging mutual strengths in product and business development, in areas such as offshore financing, trade finance, private banking, treasury and fund management.

Outside of our core overseas markets, we remain alert to emerging opportunities within Southeast Asia and focused overseas markets, while supporting our network customers in Australia, the United States, Europe, Japan and South Korea through our branches. We have a branch in Myanmar offering banking services to foreign companies and joint ventures as well as domestic banks in Myanmar. Bank of Singapore has a branch in the Dubai International Financial Centre to serve customers in the Middle East and a wealth management subsidiary, BOS Wealth Management Europe, in Luxembourg (and branch office in London) that further positions us to capture opportunities in Europe.

Leveraging group synergies

Our core businesses of banking, wealth management and insurance are closely interlinked, and we continue to direct our efforts to maximize the synergies within the Group. We plan to differentiate ourselves by further capturing synergies and unique strengths of our diversified business franchise, which includes OCBC Malaysia, OCBC Al-Amin, Bank OCBC NISP, OCBC Wing Hang, Great Eastern Holdings, Lion Global, Bank of Singapore and OCBC Securities. We seek to scale up product capabilities and distribution across our three business pillars, broaden relationships with our various sets of customers, increase cross-selling and customer referrals across our Group, enhance operational effectiveness by coordinating the development and more effective deployment of common corporate resources, and balance organic growth with selective acquisitions that fit our overall franchise.

Our Operations

Our main services include deposit-taking, corporate, enterprise and personal lending, international trade financing, investment banking, private banking, treasury, stockbroking, insurance, credit cards, cash management, asset management and other financial and related services. Banking operations are conducted through our domestic and overseas branches, representative offices and subsidiaries. Other financial services, such as insurance, private banking, asset management and stockbroking are conducted mainly through our subsidiaries.

For the purpose of financial reporting of business segment results, our businesses are presented under five main segments representing the key customer and product groups: Global Consumer/Private Banking, Global Wholesale Banking, Global Treasury and Markets, Insurance and Others.

The Global Consumer/Private Banking segment covers consumer banking, private banking and retail brokerage services. The Global Wholesale Banking segment provides a full range of financing solutions to institutional customers ranging from large corporates and the public sector to small and medium enterprises. The Global Treasury and Markets segment is responsible for the management of the Group's asset and liability interest rate positions, engages in foreign exchange activities, money market operations, fixed income and derivatives trading, and offers

structured treasury products and financial solutions to meet customers' investment and hedging needs. Income from treasury products and services offered to customers of other business segments is reflected in the respective business segments. The Insurance segment covers the Group's insurance business, including our fund management activities, is undertaken by our 87.9%-owned subsidiary Great Eastern Holdings and its subsidiaries, which provide both life and general insurance products to its customers mainly in Singapore and Malaysia. For the financial years ended December 31, 2019, 2020 and 2021, the "Others" segment comprised mainly property holding, investment holding and items not attributable to the other four business segments. Where there are material changes in the organizational structure and management reporting methodologies, segment information for prior periods is restated to allow comparability where possible.

The following table sets forth the contributions of the key business segments to our operating profit after allowances and amortization[1] for the periods indicated.

	Year ended December 31,		
	2019	**2020**	**2021**
	S$	**S$**	**S$**
		(in millions)	
Global Consumer/Private Banking	1,540	1,205	1,121
Global Wholesale Banking	1,796	642	1,706
Global Treasury and Markets	684	904	873
Insurance	1,068	919	1,224
Others	146	(117)	(68)
Total	5,234	3,553	4,856

Note:

(1) With effect from January 1, 2021, the basis for determining the breakdown of operating profit after allowances and amortization by business segments was updated to reflect how the business segments' profitability are being analyzed. Accordingly, the comparative figures for operating profit after allowances and amortization for the immediate preceding period (i.e. the year ended December 31, 2020) were restated to facilitate comparison with the year ended December 31, 2021.

Global Consumer/Private Banking

Global Consumer/Private Banking provides a full range of products and services to individual customers. At Global Consumer Banking, the products and services offered include deposit products (checking accounts, savings and fixed deposits), consumer loans (housing loans and other personal loans), credit cards, wealth management products (unit trusts, bancassurance products and structured deposits) and brokerage services. Private Banking caters to the specialized banking needs of high net worth individuals, offering wealth management expertise, including investment advice and portfolio management services, estate and trust planning, and wealth structuring.

In Singapore, we are among the top three banks in consumer banking. As of December 31, 2021, we have a network of close to 40 branches (of which 19 are Sunday Banking Branches), including 9 Premier Banking centres and one Premier Private Client center. In Malaysia, we are one of the longest established banks and serve our customers through a network of nearly 40 branches. In Indonesia, we have more than 210 branches and offices in Indonesia under Bank OCBC NISP. In Greater China, we have more than 60 branches and Premier Banking centres under OCBC Wing Hang in Mainland China, Hong Kong and Macau. We intend to further leverage our regional network to serve the fast-growing affluent and mass affluent customer segments.

We invest in our service and delivery channels to provide our customers with a superior and differentiated banking experience. Examples of service and delivery improvements include the revamping of our branches to integrate design principles and innovations based on extensive research of branch layouts and customer needs, refining the deployment of our ATM fleet across Singapore with new units at high traffic locations to enhance customer accessibility for our customers. Our next generation ATMs were first rolled out to over 20 branches in 2019. These ATMs allow us to migrate high volume counter services to a self-service channel, thus helping customers save time. Digital service kiosks, located in our branches and supported by our digital ambassadors, also help to speed up the delivery of high-demand services such as activating overseas card usage and updating personal and account details. We also conduct extensive customer research and testing to ensure that our product and service innovations are tuned into evolving customer behavior trends and preferences.

Examples include the introduction of OCBC Pay Anyone App, OCBC Bank's first standalone mobile payments app which provides seamless and frictionless payment through the use of fingerprint authentication. It is integrated with PayNow's infrastructure to provide convenience for customers. Through OCBC Life Goals, we provided holistic planning by helping customers to plan their retirement, children's education and wealth transfer. Also, a suite of digital wealth solutions are available through OCBC Digital: Daily content, unit trust, precious metals, FX, equities, RoboInvest and insurance. In the digital space, the OCBC OneAdvisor Home portal is an important enabler for us to better serve our customers and our real estate ecosystem partners. This digital portal, launched in 2018, now hosts one of the largest residential property listings in Singapore with more than 150,000 properties. Through this portal, consumers can assess their affordability for their home purchase and select their dream home. At the same time, our agents benefit with tools which we have built and customized for seamless connectivity to us.

Today, consumers engage a wide range of services largely through their mobile phones. Hence everything we create is 'mobile first' – making our mobile banking services simple, easy and convenient to use. We revamped our mobile banking app to include a new user interface and experience, making it simple, intuitive and at the same time, a delight to use. Customers are able to have a consolidated view of their account transactions and cards spending to help them manage their finances. Another first is the ability to scan a QR code using the OCBC Pay Anyone and OCBC Digital app to withdraw cash at our ATMs in Singapore, enabling customers the convenience of going cardless.

Digital ambassadors have been deployed in our branches to guide customers to use digital channels. Relief applications are now entirely processed and approved digitally in Singapore and in Malaysia.

We have launched a wide spectrum of innovative and seamless solutions to improve the everyday banking digital experience of our customers, with many notable market-firsts in 2021. We were the only bank in South-East Asia to enable instant purchase of gold and silver digitally on our OCBC Digital app. We were also the first bank in Southeast Asia to enable facial verification for ATM banking transactions. Riding on Singapore's National Digital Identity infrastructure – Singpass Face Verification, customers can check account balances at selected ATMs without the need for ATM cards. We were the first bank in Singapore to allow Central Provident Fund ("**CPF**") members to collect government pay-outs at OCBC ATMs via Singpass Face Verification, and also the first to integrate with IRAS's payment API to enable customers to view and pay their taxes via a seamless one-stop access using our OCBC Digital platforms. Additionally, we rolled out instant digital eco-care loans, a pre-approved car loan digital proposition and instant origination of multi-currency accounts as well as debit cards. We were the first to partner and integrate with Google Pay in Singapore to enable peer-to-peer payments. Last but not least, we were the first Singapore bank to bring together a health & wellness ecosystem to consumers.

Savings and Deposits

We offer a comprehensive range of deposit products including savings accounts, checking accounts, term deposits and regular savings plans. We have also developed tailored products to better serve customer needs and preferences at each life-stage. Examples of these tailored products include our Mighty Savers program, targeted at parents of young children, to help inculcate in children a habit of saving, our "FRANK by OCBC" banking program comprising savings and cards accounts designed for youths and young working adults. In Singapore, we are one of only a few selected banks appointed by the Singapore government to manage Child Development Accounts, savings accounts for children in which deposits by parents are eligible for matching contributions by the Singapore government.

Consumer Loans

Our primary consumer lending products are housing loans and mortgages. We offer our customers a range of fixed rate mortgages, variable rate mortgages as well as mortgages pegged to market benchmark rates. Fixed rate mortgages have fixed rates only for the first two or three years of the loan, after which interest accrues at a higher variable rate. Variable rate mortgages are priced at a margin above or below a reference rate such as a long-tenure term deposit rate. Mortgages pegged to market benchmark rates are similar to variable rate mortgages except that the benchmark is determined by a market benchmark, such as SORA. In July 2020, we launched Singapore's first SORA-based home loan, another step to contribute to Singapore's development of new SORA markets. The typical tenor of a mortgage in Singapore is 30 years, and the interest rate during the first two to three years of the loan is typically lower, as a form of 'teaser' rate.

On June 29, 2013, the MAS implemented a Total Debt Servicing Ratio ("**TDSR**") framework for property loans that aims to promote financial prudence and prevent over-leveraging by property purchasers. We also offer other lending products to our customers, including car loans, unsecured credit lines and term loans. Car loans are monthly amortizing loans which are typically five-year loans priced at a fixed rate. Term loans are secured by other forms of collateral such as equities, cash or insurance policies. Unsecured credit facilities are offered and extended to individuals subject to income conditions, credit scoring and credit bureau checks.

See "Customer Loan Portfolio" and "Customer Loan Concentration" below for further discussion on our consumer loans.

Credit and Debit Cards

We offer a range of credit and debit cards, including Visa, MasterCard and various affinity cards. We were among the first financial institutions to introduce credit cards in Singapore. We grant credit cards on a prudent basis to only a limited segment of our customers. Credit card issuance in Singapore is subject to stringent criteria, including a regulated minimum income requirement and a limit on total credit lines granted to each cardholder. In addition, all new credit card applications are credit scored and subject to credit bureau checks before approval and card issuance. These measures help to ensure that the industry loss rate on credit cards in Singapore remains relatively low.

Bancassurance

We conduct our bancassurance business through a strategic collaboration with our subsidiary Great Eastern Holdings. We distribute a full range of bancassurance products, including life insurance consisting of endowment, term investment-linked and mortgage insurance. We also have single premium insurance which are offered with capital guarantee features as well as lifetime income plans suited for retirement planning. Other lifestyle insurance offered are travel, accident and home contents insurance. Our priority is to provide customers with a one-stop solution for their insurance to address an array of financial planning needs. We are one of the market leaders in bancassurance in Singapore. See "Insurance" below for more information.

Unit Trusts

We offer an extensive range of third-party unit trust funds that will be able to meet a variety of investment objectives, providing exposure to equities, fixed income, and asset allocation as well as specialized alternative investments. Our funds selection process includes vetting such funds based on performance, risk profile and suitability for our customers.

Bank of Singapore

Bank of Singapore was formed after the acquisition of ING Asia Private Bank ("**IAPB**") by OCBC Bank on January 29, 2010. The combined private banking services of IAPB and OCBC were subsequently named Bank of Singapore.

Bank of Singapore serves high net worth individuals and wealthy families in its key markets of Southeast Asia, Greater China, the Middle East and Europe.

Headquartered in Singapore, the Bank of Singapore has branches in Hong Kong and Dubai, with a representative office in Manila. In Europe, the bank serves clients through BOS Wealth Management Europe Société Anonyme (S.A.) which is headquartered in Luxembourg and has a London office. In Malaysia, it serves its clients through BOS Wealth Management Malaysia. Bank of Singapore is rated Aa1 by Moody's.

In April 2016, Bank of Singapore acquired the wealth and investment management business of Barclays in Singapore and Hong Kong. The transaction was completed in November 2016, with US$13 billion of assets transferred to Bank of Singapore.

In November 2016, Bank of Singapore received regulatory approval to operate a branch in Dubai International Financial Centre. The set-up of the branch allows Bank of Singapore to offer a range of private banking solutions including investments, credit and wealth planning advisory services to its ultra-high and high net worth clients. The bank's presence in the Middle East goes back over 20 years. It opened its representative office in Dubai in 1996, before the Dubai International Financial Centre was set up in 2004.

In July 2018, Bank of Singapore was granted an investment company license to operate a wealth management subsidiary in Luxembourg – a first for a Singapore private bank. Bank of Singapore, through this new subsidiary, BOS Wealth Management Europe S.A., can offer a range of private banking solutions and investment advisory services to its ultra-high and high net worth clients in the European Economic Area ("**EEA**") and the United Kingdom. BOS Wealth Management Europe S.A. was officially launched in April 2019 in Luxembourg and London.

Bank of Singapore is one of the fastest growing private banks in Asia, offering clients a comprehensive range of products and services on a fully open architecture platform, supported by strong proprietary research and independent advice. As a wholly-owned subsidiary of OCBC Bank, Bank of Singapore clients enjoy access to OCBC Bank's full suite of consumer and commercial banking solutions such as financing, insurance and brokerage services.

Product Distribution

We deliver our products and services through an array of channels, principally branches, ATMs, internet banking, phone and mobile banking. Our branches offer traditional teller services and are also staffed by personal financial consultants who are trained and certified to sell bancassurance, unit trusts and investment products. We also offer the widest network of full-service Sunday banking branches in Singapore. Mortgage customers are serviced through mobile mortgage specialists.

Recent digital and innovative solutions are keeping OCBC at the forefront of digital banking convenience and functionality. Leveraging artificial intelligence, our customers can have 'digital conversations' with the app to pay bills, check account transactions, track and manage expenses. In addition, we are the first to create the ability to scan a QR code using the OCBC Pay Anyone app to withdraw cash at our ATMs in Singapore, enabling customers the convenience of going cardless.

As of December 31, 2021, our network of more than 500 ATMs in Singapore, which include ATMs at all of our branches and self-service hubs, formed part of the shared network of more than 1,000 ATMs with United Overseas Bank Limited in Singapore, providing our customers with Singapore island-wide coverage, particularly at prime locations, transport hubs and high traffic areas.

Stock Brokerage

We conduct our stock brokerage activities in Singapore through our wholly-owned subsidiary, OCBC Securities, which is a member of the Singapore Exchange for both Securities Trading and Derivatives Trading. We offer a full range of brokerage services for globally listed securities, futures and leveraged foreign exchange, trading and provide research as well. In addition, we offer initial public offering placement, share margin financing and share borrowing.

We service institutional investors and brokers/dealers, private banks, fund managers, insurance companies, banks and other corporations.

We service retail and high net worth individuals through our retail business. Retail clients receive personalized brokerage services, as well as access to global securities exchanges via our iOCBC online trading platform which is available through the personal computers and applications for mobile devices.

Other than our presence in Singapore, OCBC Sekuritas also services Indonesian clients in relation to their trading on the Indonesian Stock Exchange. We offer clients internet trading through regular trading accounts. We also provide leveraged trading via margin accounts and Repo accounts.

Global Wholesale Banking

Global Wholesale Banking provides comprehensive financial services to large corporates, financial institutions and SMEs. We offer a full range of financing solutions products and services such as cash management, custodian services, capital market solutions, corporate finance and treasury advisory. We also extend a comprehensive suite of corporate advisory and investment banking solutions, including corporate finance services for initial public offerings, secondary fund raising, takeovers and mergers, as well as customized and structured equity linked financing, to meet our customers' needs.

We have also launched a wide spectrum of innovative first-to-market solutions to businesses. For example, we were the first to offer SMEs a view of historical cash flows and expense categories. We were the first to enable SMEs to send sales invoices electronically and collecting digitally through QR & UEN. We have also enabled the use of SingPass for SMEs to securely access digital banking services. We were the first foreign bank in China to offer customers the ability to connect to single window to initiate cross border payments of imported goods across all ports in China. We were the first to deliver seamless electronic application and delivery of banker's guarantee to Customs. As a leading player in this space and in support of Singapore's Smart Nation initiatives, we will continue to develop innovative first-to-market solutions for our customers that leverage cutting edge technology to deliver new solutions amidst emergence of digital platforms and enablers.

Loans

We provide a comprehensive range of loans to finance our customers' daily operational needs and support their global investment and expansion plans. These include working capital financing, project financing, commercial property financing, asset-based financing, and short to medium term credit facilities like overdrafts, bridging loans and trade financing. We also provide sustainable finance solutions such as green loans and sustainability-linked loans.

We continue to build relationships with a diversified base of large corporate and institutional clients including publicly listed companies, conglomerates, multinational corporations, government-linked agencies, statutory boards, sovereign wealth and private equity funds, financial institutions and non-bank financial institutions. We provide customized solutions leveraging our industry expertise, extensive regional coverage and international network.

SME is a key segment and continues to be a focus area. We aim to be the main bank of choice to our customers, providing them with financial products and services to support their growth as they mature through the business life cycle. We demonstrate our commitment to early-stage growth and smaller emerging companies by supporting them since their inception.

As a financial institution, we are in a position to positively influence our customers. Therefore, we design our business practices to achieve positive outcomes for society and the environment. We have rolled out numerous initiatives to ensure sound ESG practices are in place. We were the first bank in Southeast Asia to announce that we would stop financing new coal-fired power plants, and redirect our focus on financing the development of renewable energy projects. Our target of S$25 billion by 2025 was surpassed in 2021 and we have set a new target of S$50 billion by 2025 for our sustainable finance portfolio. Sustainable finance's strong growth momentum is expected to continue over the next few years despite COVID-19. In 2020, we also formally adopted the Equator Principles, and will incorporate its framework into how we determine, assess and manage environmental and social risks in all our project financing. We are the first bank in Southeast Asia to adopt the Poseidon Principles in 2021. Our efforts in pioneering innovative solutions to support our customers' sustainability journeys have seen OCBC top the sustainable finance league tables in our key markets.

Cash Management

We provide a suite of cash management solutions, from simple Singapore dollar accounts to more complex accounts receivable, payables and liquidity management solutions. The solutions are tailored to meet our customers' needs, providing them with control over their business finances and allowing them to optimize their working capital, streamline their processes and improve operational efficiency.

Trade Finance

We provide a comprehensive range of global trade finance solutions to international banks and corporates. From standard trade solutions such as letters of credit and simple trade credit lines to complex structured trade solutions, we customize the solutions to help our customers manage risk, improve liquidity and efficiency, and lower their costs.

Global Investment Banking

Global Investment Banking provides capital markets, corporate finance and mezzanine capital financing to our customers, encompassing both conventional and Islamic structures. Global Investment Banking works closely with Global Corporate Banking and Global Commercial Banking to develop and tailor products and services for our corporate customers.

Our Capital Markets Group offers loan, bond financing solutions and structured product origination. We structure, arrange, underwrite and manage both syndicated loan financings and debt securities issuances for government-linked companies, statutory boards, financial institutions, large corporations and SMEs in our key markets in the region such as Malaysia, Indonesia and Greater China. In Singapore, we are one of the leading domestic loan and bond houses.

Our Corporate Finance Group provides equity capital markets and advisory services to our corporate customers. Equity capital market services include initial public offerings and secondary equity issuances such as rights and placement issues. We also offer a range of advisory services, including mergers, acquisitions, divestitures, management buy-outs, privatizations and recapitalizations.

Our Mezzanine Capital Group provides private equity investment and special opportunities financing to private and listed companies. Examples of financing structures include convertible debts, loans with equity kickers, preference shares and ordinary shares with put options.

Global Treasury and Markets

Global Treasury and Markets is responsible for the management of the Group's asset and liability interest rate positions, engages in foreign exchange activities, money market operations, fixed income and derivatives trading, and offers structured treasury products and financial solutions to meet customers' investment and hedging needs. Income from treasury products and services offered to customers from other business segments such as Global Consumer/Private Banking, Global Wholesale Banking is reflected in the respective business segments.

We are among the leading providers of wealth management solutions and hedging solutions for our retail, premier and corporate customers. For retail and premier customers, we offer investment and wealth management solutions (short and long tenors) including structured deposits, foreign exchange-linked, equity-linked, commodity-linked and credit-linked structured deposits, investment products or notes. For our corporate customers, we provide hedging expertise and market knowledge to help customers manage their risks in foreign exchange, interest rates, equities, credit and commodities and other structured solutions. For institutional customers, our team of experienced specialists extend a full range of investment and hedging capabilities in foreign exchange and interest rate derivatives, money market, fixed income and customized structured solutions.

Insurance

Our insurance business is carried out by our 87.9%-owned subsidiary, Great Eastern Holdings, which is a well-established market leader and trusted brand in Singapore and Malaysia. With over S$100 billion in assets and more than 10 million policyholders, including 7.5 million from government schemes, it provides insurance solutions to customers through three successful distribution channels – a tied agency force, bancassurance and a financial advisory firm, Great Eastern Financial Advisers. Great Eastern Holdings also operates in Indonesia and Brunei and has a presence in China as well as a representative office in Myanmar.

Life Insurance

Great Eastern Holdings' life insurance business provides a range of products, including term assurance, protection and savings products, critical illness cover, medical indemnity and cash cover, personal accident cover, disability cover and annuities across various products classes including participating, non-participating, investment-linked and universal life products.

In Singapore and Malaysia, Great Eastern Holdings operates its life insurance business through its subsidiaries, Great Eastern Life and Great Eastern Life Assurance (Malaysia) Berhad ("**GELM**"), respectively. Great Eastern Life and GELM are leading insurers in Singapore and Malaysia in terms of new business sales. Great Eastern Life is also a key insurer participating in various government insurance schemes covering a major proportion of the population in Singapore.

Great Eastern Life has been assigned a "AA-" financial strength and counterparty credit rating from S&P since 2010, making Great Eastern Life one of the most highly rated life insurance companies in Asia.

On September 1, 2010, Bank Negara Malaysia awarded Great Eastern Holdings a Family Takaful license to operate Islamic life insurance through a joint venture set up with Koperasi Angkatan Tentera Malaysia Berhad (Malaysian Armed Forces Co-operative Limited). The joint venture company, Great Eastern Takaful Berhad, was officially launched on December 10, 2010.

General Insurance

Great Eastern Holdings' general insurance business is underwritten and managed by GEG in Singapore, Great Eastern General Insurance (Malaysia) Berhad in Malaysia and PT Great Eastern General Insurance Indonesia in Indonesia. Great Eastern Holdings' general insurance business offers a wide range of commercial and personal general insurance products through brokers, agents, bancassurance and direct channels across many lines of businesses, for example fire, motor, workmen compensation, marine cargo and miscellaneous accident.

In May 2019, GEG acquired a 95% stake in PT QBE General Insurance Indonesia, as part of its broader business strategy to further build its general insurance operations into a major business pillar and to deepen its footprint in Indonesia.

GEG's financial strength and counterparty credit rating was upgraded to "AA-", following S&P's insurance criteria change in May 2013.

Distribution Channels

Great Eastern Holdings distributes insurance products primarily through three distribution channels – a tied agency force, bancassurance and a financial advisory firm, Great Eastern Financial Advisers.

A tied agent is an insurance agent who can only promote, advise and sell the products of the company he or she represents. Tied agency is a key distribution channel for Great Eastern Holdings with its combined agency force of approximately 30,000 agents.

In 2011, Great Eastern Holdings launched Great Eastern Financial Advisers offering a wide suite of professional financial advisory services on life insurance, general insurance and collective investment schemes. It is the first financial advisory firm in Singapore to adopt a unique business model which combines the strengths of a major insurance company and a financial advisory firm.

Great Eastern Holdings' relationship as a subsidiary of OCBC Bank makes the bancassurance partnership unique from other partnerships in the industry because it allows for closer collaboration and more coordinated initiatives in sales management and product development.

Asset Management

Our asset management business is managed by our wholly-owned subsidiary, Lion Global, which is one of the largest private sector asset management companies in Southeast Asia, with assets under management of S$70.7 billion as of December 31, 2021. Lion Global offers a comprehensive suite of investment products covering various asset classes to statutory boards, educational institutions, public and private companies, charities, non-profit organizations and retail investors.

Others

The "Others" segment comprises mainly property holding, investment holding and items not attributable to the other four business segments.

Our Overseas Bank Subsidiaries and Partner Banks

OCBC Malaysia

We have been operating in Malaysia for several decades and are one of the largest foreign banks by assets, loans, deposits and branch network size. We offer a range of financial services that includes consumer, corporate, investment, premier and transaction banking, as well as global treasury services to meet the needs of our customers.

OCBC Malaysia's wholly-owned Islamic Banking subsidiary, OCBC Al-Amin, was launched on December 1, 2008. OCBC Al-Amin offers products and services which are developed based on the applicable Shariah contract and with the endorsement of the Shariah Advisory Committee to meet the requirements of Muslims and non-Muslims alike. Features such as fixed financing rates and profit sharing have attracted a growing group of loyal customers who wish to draw from the Islamic principles of fairness, caring and accuracy.

Bank OCBC NISP

Bank OCBC NISP is among the top 10 private sector national banks in Indonesia by assets, with a distribution network of more than 210 branches and offices across Indonesia.

In November 2012, we acquired an 80% shareholding in stockbroking firm OCBC Sekuritas (formerly PT TransAsia Securities) and increased our shareholding to 95.1% in December 2014. A member of Indonesia Stock Exchange, OCBC Sekuritas is equipped with both a stockbroking license and an underwriter license, enabling it to provide securities trading services, as well as onshore debt and equity financing solutions in Indonesia. With its multiple trading channels ranging from dealer-assisted to mobile and internet trading platforms, customers are able to trade in listed securities on the Indonesia Stock Exchange with ease and convenience.

Through Bank OCBC NISP and OCBC Sekuritas, we offer a comprehensive suite of products and services to both individual and corporate clients in Indonesia – from consumer and SME banking, to securities services and debt and equity financing.

OCBC Wing Hang

OCBC Wing Hang (formerly Wing Hang Bank) became a wholly-owned subsidiary of OCBC Bank in October 2014. Headquartered in Hong Kong, OCBC Wing Hang together with its subsidiaries and affiliated companies, offers a comprehensive range of commercial banking, share brokerage and insurance products and services. It has a network of over 60 branches and offices in Mainland China, Hong Kong and Macau.

Its subsidiary, OCBC Wing Hang Bank (China) Limited was established in July 2016 with the merger of OCBC Bank (China) Limited and Wing Hang Bank (China) Limited, as approved by China Banking Regulatory Commission. Headquartered in Shanghai, OCBC Wing Hang Bank (China) has RMB retail banking licenses for branches and sub-branches in Shanghai, Chengdu and the Pearl-River Delta region. It offers a full suite of personal financial products and services including RMB and foreign currency savings accounts and fixed deposits, foreign exchange service, investment products such as structured products, QDII (Qualified Domestic Institutional Investor), medical and accident protection, local unit trust, Internet banking service, debit card, ATM service and personal loan products.

OCBC Wing Hang (China) leverages the OCBC group's international business network to offer a comprehensive suite of business banking products and services including loans, deposits, trade finance, cash management, international settlements, investment, cross-broader RMB settlements, supply chain financing, and Internet banking services. It supports foreign and local corporate customers including financial institutions, offshore customers and OCBC Bank's network customers. OCBC Wing Hang China also supports the needs of smaller businesses by offering innovative products including the pure credit financing product, SSME Unsecured Loan.

In October 2021, OCBC Wing Hang announced a partnership with Ping An Bank on China's Wealth Management Connect. The tie-up between OCBC Wing Hang and Ping An Bank will see both banks provide quality and diversified financial services to their customers across China's Greater Bay area.

In December 2021, OCBC Wing Hang merged with OCBC Hong Kong branch to form a unified integrated platform that will strengthen OCBC's presence in Hong Kong.

Collaboration with Bank of Ningbo

We have established a strategic partnership with Bank of Ningbo in 2006. Bank of Ningbo is an associated company of OCBC and has a nationwide network comprising more than 380 branches, sub-branches and offices, covering the cities of Ningbo, Shanghai, Hangzhou, Nanjing, Shenzhen, Suzhou, Wenzhou, Beijing, Wuxi, Jinhua, Shaoxing, Taizhou, Jiaxing and Lishui.

Funding

As of December 31, 2021, 76.8% of our funding requirements (total equity and total liabilities excluding life insurance fund liabilities) were attributable to non-bank customer deposits, 1.8% attributable to deposits and balances of banks, 4.5% attributable to debt issued, 11.8% from capital and reserves and 5.1% attributable to other sources.

Our deposits of non-bank customers were S$342,395 million as of December 31, 2021. The ratio of net loans to customers to non-bank customer deposits was 83.6% as of December 31, 2021, reflecting that non-bank customer deposits were in excess of loan requirements.

The following table sets forth a breakdown of our funding sources as of the dates indicated.

	As of December 31,		
	2019	2020	2021
	S$	S$	S$
		(in millions)	
Total equity (excluding non-controlling interests)	47,162	49,622	52,663
Non-controlling interests	1,441	1,554	1,675
Deposits of non-bank customers	302,851	314,907	342,395
Deposits and balances of banks	8,250	9,586	8,239
Debt issued	29,388	24,355	20,115
Other borrowings and other liabilities[1]	18,153	26,917	20,794
Total	407,245	426,941	445,881

Note:

(1) Other liabilities do not include life insurance fund liabilities.

The following table sets forth the average balances of our interest bearing liabilities and average interest rates for each of the periods specified below.

	Year ended December 31,								
	2019			2020			2021		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
	S$	S$	%	S$	S$	%	S$	S$	%
	(in millions, except for percentages)								
Interest bearing liabilities									
Deposits of non-bank customers	296,279	4,807	1.62	309,581	2,699	0.87	323,120	1,300	0.40
Deposits and balances of banks	10,687	192	1.79	11,682	92	0.79	10,171	68	0.67
Other borrowings	26,748	768	2.87	25,128	386	1.53	21,941	202	0.92
Total	333,714	5,767	1.73	346,391	3,177	0.92	355,232	1,570	0.44

Deposits

We offer a wide variety of deposit accounts, including non-interest bearing demand deposits and interest bearing savings and term deposits.

The following table sets forth the composition of our deposits.

	As of December 31,		
	2019	**2020**	**2021**
	S$	**S$**	**S$**
		(in millions)	
Deposits of non-bank customers			
Current accounts	89,024	118,751	138,077
Savings deposits	57,465	71,097	78,566
Term deposits	123,333	90,786	86,046
Structured deposits	5,656	4,505	5,292
Certificate of deposits issued	20,402	22,229	25,566
Other deposits	6,971	7,539	8,848
	302,851	314,907	342,395
Deposits and balances of banks	8,250	9,586	8,239
Total	311,101	324,493	350,634

The following table sets forth a breakdown of deposits of our non-bank customers by currency exposure.

	As of December 31,					
	2019		**2020**		**2021**	
	S$	**% of total**	**S$**	**% of total**	**S$**	**% of total**
	(in millions, except for percentages)					
Singapore dollar	107,278	35.4	123,217	39.1	133,157	38.9
U.S. dollar	102,800	33.9	95,226	30.2	109,842	32.1
Malaysian Ringgit	22,827	7.5	23,096	7.3	22,603	6.6
Indonesian Rupiah	10,221	3.4	11,637	3.7	12,197	3.6
Hong Kong dollar	25,906	8.6	23,463	7.5	23,381	6.8
Chinese Renminbi	6,679	2.2	7,984	2.5	10,311	3.0
Others	27,140	9.0	30,284	9.7	30,904	9.0
Total	302,851	100.0	314,907	100.0	342,395	100.0

The following table sets forth a breakdown of deposits of our bank customers by currency exposure.

	As of December 31,					
	2019		2020		2021	
	S$	% of total	S$	% of total	S$	% of total
	(in millions, except for percentages)					
Singapore dollar	801	9.7	675	7.0	733	8.9
U.S. dollar	4,287	52.0	4,268	44.5	4,358	52.9
Malaysian Ringgit	184	2.2	234	2.4	252	3.1
Indonesian Rupiah	273	3.3	154	1.6	46	0.6
Hong Kong dollar	282	3.4	1,065	11.1	389	4.7
Chinese Renminbi	1,105	13.4	1,986	20.7	1,592	19.3
Others	1,318	16.0	1,204	12.7	869	10.5
Total	8,250	100.0	9,586	100.0	8,239	100.0

The following table sets forth a breakdown of our total deposits (including deposits and balances of banks) by the remaining period to contractual maturity as of the dates indicated.

	As of December 31,		
	2019	2020	2021
	S$	S$	S$
		(in millions)	
Within 1 week	170,961	209,487	234,912
1 week to 1 month	42,195	34,629	32,297
1 to 3 months	51,561	40,538	42,948
3 to 12 months	42,805	37,300	37,546
1 to 3 years	1,792	1,748	1,907
Over 3 years	1,787	791	1,024
Total	311,101	324,493	350,634

Other Sources of Funding

Interbank Funding

We are a leading participant in domestic and foreign interbank markets and maintain money market lines with a large number of domestic and foreign banks. As of December 31, 2021, we had total deposits and balances of banks of S$8,239 million (representing 1.8% of total equity funds and total liabilities, excluding life insurance fund liabilities).

Debt Issued

The following table sets forth an analysis of our debt issued by remaining time to maturity.

	As of December 31,		
	2019	2020	2021
	S$	S$	S$
		(in millions)	
Within 1 week	737	331	782
1 week to 1 month	1,845	1,028	1,511
1 to 3 months	6,492	5,777	4,488
3 to 12 months	10,738	8,151	5,805
1 to 3 years	5,503	4,994	4,759
Over 3 years	4,073	4,074	2,770
Total	29,388	24,355	20,115

Wholesale Funding Programs

To diversify our funding sources, we also have a U.S.$10.0 billion Euro Commercial Paper Program, a U.S.$25.0 billion U.S. Commercial Paper Program and a U.S.$10.0 billion Global Covered Bond Program.

Assets

The following table sets forth our average balances of interest earning assets and average interest rates for each of the periods specified below.

	Year ended December 31,								
	2019			2020			2021		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
	S$	S$	%	S$	S$	%	S$	S$	%
	(in millions, except for percentages)								
Interest earning assets									
Loans to customers	256,418	9,086	3.54	264,153	6,992	2.65	272,302	5,786	2.12
Placements with and loans to banks	47,543	1,503	3.16	47,395	839	1.77	44,428	448	1.01
Other interest earning assets	53,398	1,509	2.82	57,940	1,312	2.26	62,959	1,191	1.89
Total	357,359	12,098	3.39	369,488	9,143	2.47	379,689	7,425	1.96

The following table shows our return on our assets and equity for the periods indicated.

	As of December 31,		
	2019	2020	2021
	S$	S$	S$
	(in millions, except for percentages)		
Profit attributable to equity holders of OCBC Bank	4,869	3,586	4,858
Average total assets	477,395	510,298	527,613
Adjusted average total assets[(1)(5)]	394,703	419,924	428,311
Average shareholders' equity	44,378	47,909	51,210
Adjusted average ordinary shareholders' equity[(2)(5)]	42,878	46,534	50,010
Adjusted return on assets (%)[(3)(5)]	1.26	0.85	1.13
Adjusted return on ordinary shareholders' equity (%)[(4)(5)]	11.4	7.6	9.6

Notes:

(1) Defined as average total assets excluding life insurance fund investment securities and other assets (2019: S$82,692 million, 2020: S$90,374 million, 2021: S$99,302 million).

(2) Defined as average shareholders' equity excluding preference shares (2019: Nil, 2020: Nil, 2021: Nil) and other equity instruments (2019: S$1,500 million, 2020: S$1,375 million, 2021: S$1,200 million).

(3) Calculated by dividing profit attributable to equity holders of OCBC Bank by adjusted average total assets.

(4) Calculated by dividing profit attributable to equity holders of OCBC Bank net of distributions on other equity instruments (2019: S$59 million, 2020: S$53 million, 2021: S$46 million) by adjusted average ordinary shareholders' equity.

(5) Presented as a non-GAAP measure.

Customer Loan Portfolio

As of December 31, 2021, loans to customers (net of allowances) were S$286,281 million, representing 64.8% of total assets excluding life insurance fund investment securities and other assets. Gross loans to customers as of December 31, 2021 were S$289,716 million and 35.3% was denominated in Singapore dollars. As of December 31, 2021, gross loans to customers with credit exposure in Singapore, Greater China, Malaysia and Indonesia accounted for 39.9%, 25.6%, 9.5% and 6.5% of our loans to customers, respectively.

Customer Loan Concentration

The following table sets forth our gross customer loan portfolio by industry classification as of the dates indicated.

	As of December 31,					
	2019		2020		2021	
	S$	% of total	S$	% of total	S$	% of total
	(in millions, except for percentages)					
Agriculture, mining and quarrying	8,963	3.4	8,483	3.2	8,094	2.8
Manufacturing	17,074	6.4	15,814	5.9	15,642	5.4
Building and construction	64,686	24.4	71,994	26.9	81,375	28.1
Housing loans	62,069	23.4	59,842	22.4	61,733	21.3
General commerce	31,823	12.0	28,834	10.8	30,159	10.4
Transport, storage and communication	13,311	5.0	14,340	5.4	13,423	4.6
Financial institutions, investment and holding companies	24,542	9.3	22,821	8.5	25,365	8.8
Professionals and individuals	30,322	11.5	30,659	11.5	36,854	12.7
Others	11,983	4.6	14,453	5.4	17,071	5.9
Total	264,773	100.0	267,240	100.0	289,716	100.0

Building and Construction

Gross loans to the building and construction industry was the largest sector in our total loan portfolio, accounting for 28.1% of gross loans to customers as of December 31, 2021. We provide funding, mainly on a secured basis, for a variety of projects, such as office buildings and complexes, residential developments, industrial and retail developments. Within the building and construction sector, we also set and monitor limits on the overall mix of projects in order to avoid excess concentration in any one sub-sector.

Consumer Loans

Housing loans form the second largest sector in our total loan portfolio. Housing loans accounted for 21.3% of gross total loans to customers as of December 31, 2021. Housing loans are made to individuals for the purchase of residential properties either for owner occupation or for investment.

We also provide loans to professionals and individuals for the purchase of non-residential properties, including commercial and industrial properties. Other consumer lending includes car loans, share financing facilities, credit card receivables, revolving lines of credit and renovation loans.

Financial Institutions, Investment and Holding Companies

Gross loans to financial institutions, investment and holding companies accounted for 8.8% of gross total loans to customers as of December 31, 2021. Major customers include a variety of non-bank financial institutions, such as insurance companies, securities companies and unit trusts, leasing and credit companies and investment companies. Certain holding companies are engaged in property-related activities.

Other Sectors

As of December 31, 2021, other significant sectors included general commerce (10.4% of gross total loans to customers), professionals and individuals (12.7%), the manufacturing sector (5.4%), the transport, storage and communication sector (4.6%) and the agriculture, mining and quarrying sector (2.8%).

Loans in the "Others" category accounted for 5.9% of gross total loans to customers as of December 31, 2021. Such loans cover a wide variety of businesses and include mainly lending to statutory boards, hotels and other SMEs engaged in businesses such as restaurants, entertainment, recreation and business and household services.

Loans to customers repayable on demand and loans to customers maturing in less than one year constituted 40.3% of gross loans to customers as of December 31, 2021. The category of gross loans to customers with maturities of less than one year, however, includes revolving credit and overdraft facilities, which are typically renewed upon roll-over and, due to actual repayment patterns, may be of a longer-term nature.

The following table sets forth an analysis of our gross loans to customers by remaining time to contractual maturity.

	As of December 31,					
	2019		**2020**		**2021**	
	S$	**% of total**	**S$**	**% of total**	**S$**	**% of total**
	(in millions, except for percentages)					
One year or less	105,909	40.0	102,709	38.4	116,823	40.3
One to three years	42,735	16.1	53,112	19.9	57,751	19.9
Over three years	116,129	43.9	111,419	41.7	115,142	39.8
Total	264,773	100.0	267,240	100.0	289,716	100.0

Placements with and Loans to Banks

Our placements with and loans to banks amounted to S$25,462 million (representing 5.8% of total assets excluding life insurance fund investment securities and other assets) as of December 31, 2021.

Foreign Loans

The following table sets forth our gross loans to customers by geography based on the location where the credit risks reside, regardless of where the transactions are booked.

	As of December 31,					
	2019		2020		2021	
	S$	% of total assets[1]	S$	% of total assets[1]	S$	% of total assets[1]
	(in millions, except for percentages)					
Singapore	108,981	27.0	109,826	25.9	115,620	26.2
Malaysia	28,585	7.1	27,819	6.6	27,611	6.2
Indonesia	19,680	4.9	18,833	4.4	18,918	4.3
Greater China	65,358	16.2	65,216	15.4	74,120	16.8
Other Asia Pacific	15,674	3.9	18,886	4.5	19,293	4.4
Rest of World	26,495	6.6	26,660	6.3	34,154	7.7
Total	264,773	65.7	267,240	63.1	289,716	65.6

Note:

(1) Total assets exclude life insurance fund investment securities and other assets.

The Group's country risk framework covers the assessment and rating of countries, as well as the maximum cross-border transfer risk limit granted to any one country based on its risk rating. The risk covers all cross-border transactions, including onshore non-local currency transaction. Limits are allocated into maturity time bands and vary according to the risk rating of the country and the political and economic outlook. The Group's main cross-border transfer risk exposures during the financial years ended December 31, 2019, 2020 and 2021 were in Hong Kong, China and Malaysia.

Credit Facilities and Exposure Limits

Section 29 of the Banking Act 1970 of Singapore (the "**Banking Act**") and MAS Notice 656 on Exposures to Single Counterparty Groups ("**MAS Notice 656**"), issued pursuant to Section 29 of the Banking Act, set out the limits on the exposure of a reporting Bank to a single counterparty group, the types of exposures to be included in or excluded from those limits, the basis for computation of exposures, the eligible credit risk migration techniques and the approach for aggregating exposures.

MAS Notice 656 provides that, among other things, a bank incorporated in Singapore must not permit: (a) at the Solo level, the aggregate of its exposures to any single counterparty group to exceed 25% of its Tier 1 capital; and (b) at the Group level, the aggregate of the exposures of the banking group to any counterparty, any director group, any substantial shareholder group or any connected counterparty group to exceed 25% of the Tier 1 capital of the banking group.

NPL Management

NPLs are managed by the Group Risk Management Division.

Non-Performing Assets

Total non-performing assets were S$4,338 million as of December 31, 2021 as compared to S$4,005 million as of December 31, 2020. Singapore non-performing assets amounted to S$606 million while Malaysia non-performing assets were S$1,516 million as of December 31, 2021, accounting for 14.0% and 34.9% of total non-performing assets, respectively. Of the total non-performing assets as of December 31, 2021, 55.3% were in the Substandard category while 58.4% were secured by collateral. Our NPL ratio remained stable at 1.5% as of December 31, 2021 and December 31, 2020.

Classification of Non-Performing Loans

Our loans are categorized into "Pass", "Special Mention" or NPL. NPL are further categorized into "Substandard", "Doubtful" or "Loss" in accordance with MAS Notice 612 on Credit Files, Grading and Provisioning (MAS Notice 612). The categorization of credit exposures is based on our assessment of borrowers' ability to meet their financial obligations from normal sources of income and their creditworthiness in the long term. We categorize retail borrowers into the respective MAS loan grades at facility level in line with MAS Notice 612. NPL may be upgraded to performing status when there is an established trend of credit improvement, supported by an assessment of the borrowers' repayment capability, cash flows and financial position.

On March 15, 2021, the MAS issued MAS Notice 612A, which sets out the credit grading treatment for credit facilities granted support measures by banks in Singapore in response to the on-going COVID-19 outbreak for the period beginning on January 1, 2021 and ending on December 31, 2021 (both dates inclusive). MAS Notice 612A, which takes effect on March 16, 2021, clarifies that for the aforesaid period, a bank is not required to classify a credit facility of a borrower just because the borrower is granted extended credit support measures. Banks should instead holistically assess a borrower's ability to fully repay its credit facilities, taking into consideration the impact of the support provided by the bank to the borrower in response to COVID-19. Pursuant to MAS Notice 612A and amendments made to MAS Notice 612 on the same day, the requirement to classify credit facilities under MAS Notice 612 does not apply to specified "relevant loans" that fall under the purview of MAS Notice 612A during that period.

Loan Loss Provisioning

We maintain sufficient impairment allowances to absorb credit losses inherent in our loan portfolios. Allowance for Expected Credit Losses ("ECL") is recognized for credit-impaired and non-credit-impaired exposures in accordance with SFRS(I) 9 and MAS Notice 612 through a forward-looking ECL model. ECL allowances are assessed based on the stages of credit risk.

Allowances for impaired assets as a percentage of total non-performing assets were 36.0%, 45.3% and 35.4% as of December 31, 2019, 2020 and 2021, respectively.

The following table sets forth information with respect to our non-performing assets by grading and geography. Geography is determined based on where the credit risk resides.

	Total non-performing assets[1]	Substandard	Doubtful	Loss	NPL Ratio[2]
	S$	S$	S$	S$	%
		(in millions, except for percentages)			
Singapore					
As of December 31, 2019	1,717	1,309	237	171	1.5
As of December 31, 2020	1,725	1,106	485	134	1.5
As of December 31, 2021	606	300	206	100	0.5
Malaysia					
As of December 31, 2019	738	372	321	45	2.5
As of December 31, 2020	782	454	283	45	2.7
As of December 31, 2021	1,516	1,126	166	224	5.3
Indonesia					
As of December 31, 2019	678	289	222	167	3.4
As of December 31, 2020	651	321	227	103	3.5
As of December 31, 2021	1,216	772	255	189	6.4
Greater China					
As of December 31, 2019	230	54	133	43	0.4
As of December 31, 2020	358	82	235	41	0.5
As of December 31, 2021	586	117	447	22	0.8
Other Asia Pacific					
As of December 31, 2019	101	77	23	1	0.6
As of December 31, 2020	118	60	58	#	0.6
As of December 31, 2021	186	62	124	#	1.0
Rest of the World					
As of December 31, 2019	419	229	183	7	1.6
As of December 31, 2020	371	148	223	#	1.4
As of December 31, 2021	228	21	207	#	0.6
Group					
As of December 31, 2019	3,883	2,330	1,119	434	1.5
As of December 31, 2020	4,005	2,171	1,511	323	1.5
As of December 31, 2021	4,338	2,398	1,405	535	1.5

Notes:

(1) Non-performing assets comprise loans to customers, debt securities and contingent liabilities.

(2) NPLs exclude debt securities and contingent liabilities.

represents amounts less than S$0.5 million.

Non-Performing Asset Strategy

The following table sets forth information with respect to the credit quality of our loan portfolio as of the dates indicated.

	As of December 31,		
	2019	**2020**	**2021**
	S$	**S$**	**S$**
	(in millions, except for percentages)		
Substandard	2,310	2,152	2,351
Doubtful	1,094	1,442	1,331
Loss	434	323	533
Total non-performing loans	3,838	3,917	4,215
Total non-performing loans as a percentage of gross loans	1.5%	1.5%	1.5%

Industry Classification of NPLs

Our NPLs are spread across various industrial sectors, such as manufacturing, building and construction, housing loans and general commerce. Overall, our asset quality remains stable. The following table shows the industry classification of our NPLs as of the dates indicated.

	As of December 31,					
	2019		**2020**		**2021**	
	S$	**% of total loans[1]**	**S$**	**% of total loans[1]**	**S$**	**% of total loans[1]**
	(in millions, except for percentages)					
Agriculture, mining and quarrying	468	5.2	345	4.1	96	1.2
Manufacturing	468	2.7	564	3.6	840	5.4
Building and construction	155	0.2	190	0.3	330	0.4
Housing loans	435	0.7	420	0.7	1,002	1.6
General commerce	555	1.7	572	2.0	594	2.0
Transport, storage and communication	1,563	11.7	1,621	11.3	491	3.7
Financial institutions, investment and holding companies	25	0.1	30	0.1	89	0.4
Professionals and individuals	123	0.4	133	0.4	179	0.5
Others	46	0.4	42	0.3	594	3.5
Total	3,838	1.5	3,917	1.5	4,215	1.5

Note:

(1) Computed as a percentage of gross loans within each industry classification.

The following table shows the industry classification of our allowances for impaired loans as of the dates indicated.

	As of December 31,		
	2019	2020	2021
	S$	S$	S$
		(in millions)	
Agriculture, mining and quarrying	159	72	67
Manufacturing	132	177	283
Building and construction	36	65	136
Housing loans	47	47	155
General commerce	174	249	226
Transport, storage and communication	726	1,110	283
Financial institutions, investment and holding companies	46	12	31
Professionals and individuals	63	70	70
Others	12	10	284
Total	1,395	1,812	1,535

The following table shows the industry classification of our net allowances for impaired loans charged/(written back) of loans to our income statement for the periods indicated.

	Year ended December 31,		
	2019	2020	2021
	S$	S$	S$
		(in millions)	
Agriculture, mining and quarrying	20	52	(7)
Manufacturing	107	103	138
Building and construction	19	50	116
Housing loans	69	24	110
General commerce	90	465	198
Transport, storage and communication	366	392	(4)
Financial institutions, investment and holding companies	134	7	1
Professionals and individuals	37	51	40
Others	14	5	260
Total	856	1,149	852

Changes in Credit

The following table shows changes in the Group's expected credit loss for the years ended December 31, 2019, 2020 and 2021.

	Year ended December 31, 2019			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	(in S$ millions)			
Allowances for financial assets				
Balance at January 1	491	523	1,221	2,235
Transfer to Stage 1	474	(446)	(28)	–
Transfer to Stage 2	(104)	149	(45)	–
Transfer to Stage 3	(4)	(186)	190	–
Remeasurement[1]	(563)	514	714	665
New financial assets originated or purchased	545	239	–	784
Financial assets that have been derecognized	(374)	(216)	–	(590)
Changes in models[2]	4	–	–	4
Write-offs	–	–	(642)	(642)
Foreign exchange and other movements	1	1	(13)	(11)
Balance as of December 31	470	578	1,397	2,445

	Year ended December 31, 2020			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	(in S$ millions)			
Allowances for financial assets				
Balance at January 1	470	578	1,397	2,445
Transfer to Stage 1	497	(475)	(22)	–
Transfer to Stage 2	(181)	200	(19)	–
Transfer to Stage 3	(4)	(97)	101	–
Remeasurement[1]	1	783	1,065	1,849
New financial assets originated or purchased	609	257	–	866
Financial assets that have been derecognized	(429)	(312)	–	(741)
Changes in models[2]	7	7	–	14
Write-offs	–	–	(663)	(663)
Foreign exchange and other movements	(3)	(1)	(44)	(48)
Balance as of December 31	967	940	1,815	3,722

	Year ended December 31, 2021			
	Stage 1	Stage 2	Stage 3	Total
	(in S$ millions)			
Allowances for financial assets				
Balance at January 1	967	940	1,815	3,722
Transfer to Stage 1	563	(546)	(17)	–
Transfer to Stage 2	(219)	267	(48)	–
Transfer to Stage 3	(3)	(206)	209	–
Remeasurement[1]	(554)	592	687	725
New financial assets originated or purchased	535	398	–	933
Financial assets that have been derecognized	(387)	(436)	–	(823)
Changes in models[2]	(10)	18	–	8
Write-offs	–	–	(1,153)	(1,153)
Foreign exchange and other movements	2	2	44	48
Balance as of December 31	894	1,029	1,537	3,460

Notes:

(1) Remeasurement includes the changes in model inputs or assumptions such as changes in the forward-looking macroeconomic variables, partial repayments, additional drawdowns on existing facilities, changes in the measurement after a transfer between stages 1, 2 and 3, and the unwinding impact of time value of money.

(2) Changes in models include significant changes to the quantitative models used to estimate the impacts of the expected credit losses.

Non-Performing Assets Analyzed by Period Overdue

The following table sets forth our non-performing assets analyzed by period overdue as of the dates indicated.

	As of December 31,					
	2019		2020		2021	
	S$	%	S$	%	S$	%
	(in millions, except for percentages)					
Over 180 days	1,770	45.6	1,857	46.4	927	21.4
Over 90 to 180 days	173	4.5	286	7.1	145	3.3
30 to 90 days	530	13.6	170	4.2	179	4.1
Less than 30 days	474	12.2	473	11.8	1,018	23.5
Not overdue	936	24.1	1,219	30.5	2,069	47.7
Total	3,883	100.0	4,005	100.0	4,338	100.0

Analysis of Non-Performing Assets by Collateral Type

The following table sets forth information with respect to our non-performing assets by collateral type as of the dates indicated.

	As of December 31,		
	2019	**2020**	**2021**
	S$	**S$**	**S$**
		(in millions)	
Property	863	900	2,031
Fixed deposit	6	9	16
Stocks and shares	128	147	50
Motor vehicles	4	5	17
Secured – Others	1,554	1,365	421
Unsecured – Corporate and other guarantees	491	708	497
Unsecured – Clean	837	871	1,306
Total	3,883	4,005	4,338

Securities-Related Activities

Securities Portfolio

Our total securities portfolio (consisting of government securities, fair value through profit and loss ("**FVTPL**") and fair value through other comprehensive income ("**FVOCI**") debt and equity securities and debt securities measured at amortized cost at their carrying values accounted for 16.1% of total assets (excluding life insurance fund investment securities and other assets) as of December 31, 2021. Singapore government securities and treasury bills accounted for 2.5% of total assets (excluding life insurance fund investment securities and other assets) as of December 31, 2021.

Singapore government and other government securities may be used to satisfy a portion of our reserve requirements.

Our FVOCI debt and equity securities accounted for 5.7% of total assets (excluding life insurance fund investment securities and other assets) as of December 31, 2021, and consisted mainly of corporate debt securities.

The following tables set forth carrying values (including assets pledged) relating to our securities portfolio as of the dates indicated.

	As of December 31,		
	2019	2020	2021
	S$	S$	S$
		(in millions)	
Singapore government treasury bills and securities	11,042	10,628	11,112
Other government treasury bills and securities	17,712	22,663	26,159
Debt securities	25,023	27,933	28,045
Equity securities	2,419	2,756	2,568
Investment funds	1,811	2,454	3,402
Total	58,007	66,434	71,286

The following tables set forth the total composition and maturity of our securities portfolio as of December 31, 2021.

	As of December 31, 2021				
	One year or less	One to three years	Over three years	No specific maturity	Total
	S$	S$	S$	S$	S$
			(in millions)		
Government securities	14,034	12,952	10,285	–	37,271
Debt securities	6,996	10,041	11,008	–	28,045
Equity securities	–	–	–	2,568	2,568
Investment funds	–	–	–	3,402	3,402
Total	21,030	22,993	21,293	5,970	71,286

Risk Management

We believe that sound risk management is critical to the success of our risk-taking activities. Our philosophy is to ensure that risks and returns remain consistent with our risk appetite. To achieve this, we identify any emerging portfolio threats and credit concentrations at an early stage in order to develop timely risk-response strategies.

The key elements of our enterprise-wide risk management strategy are:

- Risk appetite – The Board of Directors of OCBC Bank (the "**Board of Directors**" or "**Board**") approves our risk appetite, and that all risks are managed in alignment with the risk appetite. Risk-taking decisions must be consistent with strategic business goals and returns should be commensurate with the risks taken.

- Risk frameworks – Our risk management frameworks for all risk types are effective, comprehensive and consistent.

- Holistic risk management – Risks are managed holistically, with a view to understanding the potential interactions among risk types.

- Qualitative and quantitative evaluations – Risks are evaluated both qualitatively and with appropriate quantitative analyses and robust stress testing. Risk models are regularly reviewed and independently validated to ensure they are appropriate and effective.

We believe that cultivating a strong risk culture and a robust internal control environment throughout the Group is necessary for sound risk management. Risk ownership is a shared responsibility between the business and risk functions and is jointly owned among customer-facing and product business units, dedicated and independent functional risk management units, as well as other support units such as Operations and Technology. Group Audit also provides independent assurance that our risk management system, control and governance processes comply with regulatory requirements, internal rules and standards and are effective. Rigorous stress testing and scenario analyses are used to identify possible events or market conditions that could adversely affect us. These results are taken into account in our formulation of our business strategy, capital adequacy assessment and risk limit setting.

This risk management section discusses the risk management practices, policies and frameworks of OCBC Group, excluding Great Eastern Holdings and Bank OCBC NISP. Our banking subsidiaries are generally required to implement risk management policies that conform to Group standards or adopt stricter local regulations where applicable. Approving authority and limit structures of our subsidiaries are consistent with the Group to ensure proper ownership and accountability.

Great Eastern Holdings and Bank OCBC NISP are listed companies which publish their own annual reports that contain information on their risk management frameworks and practices. Our management collaborates with Great Eastern Holdings and Bank OCBC NISP on aligning their risk management practices to our risk standards.

Risk Governance and Organization

The Board of Directors establishes our risk appetite and risk principles. The Board Risk Management Committee ("**BRMC**") is the designated board committee to ensure that the OCBC Group's overall risk management philosophy and principles are aligned with the corporate strategy and within the approved risk appetite. It also ensures that the overall risk management organization is implemented and effective. Based on the approved risk appetite, the BRMC approves various quantitative guidance and qualitative expectations and these are cascaded to major business units and risk functions to guide risk-taking. Risk drivers, risk profiles across major lines of business and risk types, as well as major risk policies and compliance matters are regularly reviewed by the senior management, Group Chief Executive Officer ("**CEO**") and BRMC. These matters are reviewed and discussed in greater detail at the dedicated risk committees for major risk types.

The BRMC is supported by the Group Risk Management Division ("**GRM**"), headed by the Group Chief Risk Officer who reports to the BRMC and CEO. GRM is an independent risk and control oversight function that principally executes the risk management framework and principles. It provides risk committees, the BRMC and the Board of Directors regular risk reports and updates on material information with regard to risks. Functions in GRM are primarily organized by major risk types. Risk management staff work closely with the business and other support units to ensure that risks are well managed. GRM also oversees the OCBC Group's data management via a framework that comprises data policies, standards and controls. The objective is to ensure the quality of critical risk data and the ability of the OCBC Group to effectively aggregate such data for accurate and timely risk reporting. In addition, it oversees the New Product Approval Process to ensure that all inherent risks associated with new products and services are comprehensively identified, managed and mitigated.

Senior management actively manage risks through various risk management committees, such as the Credit Risk Management Committee, the Market Risk Management Committee, the Asset Liability Management Committee and the Operational Risk Management Committee. Both risk-taking and risk control units are represented in these committees, emphasizing shared risk management responsibilities.

Credit officers' approval authority limits are set based on their relevant experience and qualifications. GRM officers also provide expertise during the design and approval of new products to ensure existing systems and processes are able to adequately manage any new product risks.

Basel Requirements

We have implemented MAS Notice 637 on Risk Based Capital Adequacy Requirements for banks incorporated in Singapore.

For credit risk, we have adopted the Foundation Internal Ratings-Based ("**F-IRB**") approach and supervisory slotting criteria to calculate credit risk-weighted assets for major non-retail portfolios, and the Advanced Internal Ratings-Based ("**A-IRB**") approach for major retail and small business lending portfolios.

For market risk, we have adopted the standardized approach. Risk weights for market risk assets are specified according to the instrument category, maturity period, credit quality grade and other factors and applied to the corresponding notional as prescribed under MAS Notice 637. For operational risk, we have adopted the standardized approach except for Bank OCBC NISP and OCBC Wing Hang, which have adopted the basic indicator approach. Operational risk-weighted assets are derived by applying specified factors or percentages to the annual gross income for the prescribed business lines in accordance with regulatory guidelines.

We undergo an internal capital adequacy assessment process ("**ICAAP**") annually to evaluate if we are able to maintain sound capital levels after considering business plans and material risks under both base case and severe stress scenarios. Remedial actions are proposed where necessary to ensure that we remain prudently managed.

Implementing the Basel framework is an integral part of our efforts to refine and strengthen our management of risks. Our management closely follows on-going industry and regulatory developments, including higher liquidity and capital requirements.

Credit Risk Management

Credit risk arises from the risk of loss of principal or income on the failure of an obligor or counterparty to meet its contractual obligations. As our primary business is commercial banking, we are exposed to credit risks from our lending activities. Trading and investment banking activities, such as the trading of foreign exchange, derivatives, debt securities, commodities, securities underwriting and the settlement of transactions, also expose the OCBC Group to counterparty and issuer credit risks.

Credit Risk Management Oversight and Organization

The Credit Risk Management Committee ("**CRMC**") is the senior management group that supports the Chief Executive Officer ("**CEO**") and the BRMC in proactively managing credit risk, including reshaping the credit portfolios. It oversees the execution of our credit risk management, framework and policies, and reviews the credit profile of material portfolios to ensure that credit risk taking is aligned with business strategy and risk appetite. In addition, the CRMC recommends credit approval authority limits and highlights any concentration concerns to higher management.

Credit Risk Management ("**CRM**") departments manage credit risk within pre-determined risk appetite, customer targets, limits and established risk standards. Dedicated risk functions are responsible for risk portfolio monitoring, risk measurement methodology, risk reporting and remedial loan management.

Regular risk reports are provided to the Board of Directors, the BRMC and the CRMC in a timely, objective and transparent manner. These reports include detailed profiles on portfolio quality, credit migration, expected losses, and concentration of risk exposures by business portfolio and geography. Such reporting alerts the Board of Directors, BRMC and senior management to adverse credit trends early, so that timely corrective actions can be taken.

Credit Risk Management Approach

Our credit risk management framework captures the complete credit risk management cycle. It is operationalized through policies and procedures covering the identification, assessment, measurement, monitoring and control of credit risk at the enterprise level. We also have a Responsible Financing framework and supporting policies that integrate ESG considerations into our credit risk evaluation and approval process. Through the framework, sustainability is integrated across our corporate lending activities from strategic and portfolio to transaction level.

Our credit risk management approach varies according to the characteristics and nature of the portfolios or customer segments.

Lending to Consumers and Small Businesses. Credit risks for the consumer and small business sectors are managed on a portfolio basis with credit programs for mortgages, credit cards, unsecured loans, auto loans, commercial property loans and business term loans. Loans that are underwritten under these programs conform to clearly defined target markets, terms of lending and maximum loan advances. Systems and processes such as credit origination source analysis and independent verification of documentation are in place to detect fraud. The portfolios are closely monitored monthly using MIS analytics. Scoring models are also used in the credit decision process for most products to enable objective, consistent decisions and efficient processing. Behavioral scores are used to identify potentially problematic loans early.

Lending to Corporate and Institutional Customers. Loans to corporate and institutional customers are individually assessed and approved by experienced credit officers. Credit decisions are made after comprehensive qualitative and quantitative risk assessment. Credit officers identify and assess the credit risks of corporate or institutional customers, including any customer group's interdependencies and take into consideration management quality, financial and business competitive profiles against industry and economic threats. Collaterals or other credit support are also used to mitigate potential losses. Credit extensions are guided by pre-defined target market and risk acceptance criteria. To ensure objectivity in credit extensions, co-grantor approvals and shared risk ownership are required from both the business unit as well as credit risk functions.

Lending to Private Banking Customers. Credit extensions to our wealth management clients in the Bank of Singapore are subject to comprehensive credit assessment, the availability of acceptable collateral and compliance to loan ratios and margin requirements. Joint approvals from the business and risk units also ensure objectivity. Loan advance rates are dependent on the liquidity, volatility and diversification of the collateral portfolio under stressed conditions. Marketable securities taken as collateral are subject to daily valuation and independent price verification controls. Timely and disciplined execution of margin calls, top-up provisions, stop-loss and force-selling are strictly managed in accordance with approved procedures.

Credit Risk from Investment and Trading Activities. Counterparty credit risks arising from our trading, derivative, and debt securities activities are actively managed to protect against potential losses in replacing a contract if a counterparty defaults. Counterparty credit limits are established for each counterparty following an assessment of the counterparty's creditworthiness in accordance with internal policies, as well as the suitability and appropriateness of the product offering. Credit exposures are also controlled through independent monitoring and prompt reporting of excesses and breaches against approved limits and risk mitigation thresholds.

Internal Credit Rating Models

Internal credit rating models are an integral part of our credit risk management, loan decision-making process, and capital assessment. These internal rating models and the parameters – probability of default ("**PD**"), loss given default ("**LGD**"), and exposure at default ("**EAD**") – are factors used in limit setting and limit utilization and monitoring, credit approval, reporting, remedial management, stress testing and internal assessment of the adequacy of capital and provisions.

Model risk is managed under an internal Model Risk Management framework, including an internal ratings framework, to govern the development and validation of rating models and the application of these models. Approval for material models and annual validation results rests with the BRMC. All models are subject to independent validation before implementation to ensure that all aspects of the model development process have met internal standards. The models are developed with active participation by credit experts from risk taking and risk control units. In addition, the models are also subject to annual review (or more frequently, where necessary) and independent validation to ensure that the models are performing as expected, and that the assumptions used in model development remain appropriate. All rating models are assessed against internal and regulatory requirements, which are also subject to independent review by Group Audit and approval by regulators, to ensure compliance.

Our internal risk grades are not explicitly mapped to external credit agency ratings. Nevertheless, our internal risk grades may correlate to external ratings in terms of the probability of default ranges as factors used to rate obligors would be similar; an obligor rated poorly by an external rating agency is likely to have a weaker internal risk rating.

A-IRB for Major Retail Portfolios. We have adopted the A-IRB approach for major retail portfolios, including residential mortgages, credit cards, auto loans, as well as small business lending. Internal rating models, developed from internal data, are used to estimate PD, LGD, and EAD parameters for each of these portfolios. Application and behavior scorecards are used as key inputs for several retail PD models. Product, collateral, and geographical characteristics are major factors used in the LGD and EAD models.

F-IRB for Major Non-Retail Portfolios. Our major non-retail portfolios, including income-producing real estate specialized lending, are on the F-IRB approach. Under this approach, internal models are used to estimate the PD for each obligor, while LGD and EAD parameters are prescribed by the MAS. These PD models are statistical based or expert judgment models that use both quantitative and qualitative factors to assess an obligor's repayment capacity and are calibrated to expected long-term average one-year default rate over an economic cycle. Expert judgment models are typically used for portfolios with low defaults following inputs from relevant internal credit experts. The models also comply with the regulatory criteria for parameterization. For other specialized lending portfolios, namely project finance, object finance and commodities finance, risk grades derived from internal models are mapped to the five supervisory slotting categories as prescribed in MAS Notice 637. The risk weights prescribed for these slotting categories are used to determine the regulatory capital requirements for such exposures.

Credit Risk Control

Credit Risk Mitigation. Transactions are entered into primarily on the strength of a borrower's creditworthiness and ability to repay. To manage credit risk, we accept collateral and credit protection as credit risk mitigants, subject to our policies on their eligibility. Collateral includes both physical and financial assets and forms a major portion of our credit risk mitigants. The value of collateral is prudently assessed on a regular basis and valuations are performed by independent qualified appraisers. The key considerations for eligible credit risk mitigants include legal certainty and enforceability, correlation, liquidity, marketability, counterparty risk of the protection provider and collateral-specific minimum operational requirements. Eligible physical and financial collateral types include cash, real estate, marketable securities, standby letters of credit and credit insurances. Appropriate discounts are applied to the market value of collateral, reflecting the underlying quality, liquidity, volatility and collateral type. The loan-to-value ratio is a main factor in the secured lending decision. We also accept guarantees from individuals, corporates and institutions as a form of support.

To manage counterparty credit risk, eligible financial collaterals may be taken to partially or fully cover mark-to-market exposures on outstanding positions, with an appropriate discount applied to cover potential adverse market volatility. Collateral arrangements, typically covered under market standard documentation such as International Swaps and Derivatives Agreement ("**ISDA**") include a minimum threshold amount where additional collateral is to be posted by either party if the mark-to-market exposures exceed the agreed threshold. The credit risk associated with contractual obligations is reduced by the netting agreements to the extent that if an event of default occurs, all amounts with the counterparty are settled on a net basis. Agreements may also contain rating triggers where additional collateral posting is required in the event of a rating downgrade. However, given our investment grade rating, there is minimal increase in collateral posting under a one-notch rating downgrade occurrence. We also use CCP to reduce counterparty risk for over-the-counter derivatives.

Managing Credit Risk Concentrations

Credit risk concentrations may arise from lending to single customer groups, borrowers who are in similar activities, or diverse groups of borrowers being affected by similar economic or market conditions. To manage such concentrations, limits are established for single borrowing groups, products, portfolios and countries. These limits are aligned with our business strategy, capacity and expertise. Impact on earnings and capital is also considered during the setting of limits.

We continue to diversify our country exposure as we expand our presence and activities in Greater China and Indonesia. As a key player at home, we have significant exposure to the real estate market in Singapore. Dedicated specialist real estate teams manage this risk with focus on client selection, collateral quality, project viability, and real estate cycle trends. Regular stress tests and portfolio reviews are also conducted to identify potential vulnerabilities on the real estate portfolio.

Remedial Management

We safeguard our position through proactive and regular monitoring of our credit portfolios. We have a robust process to detect vulnerable borrowers with signs of potential credit deterioration at an early stage via the Early Warning Review Forum.

We constantly assess our portfolio to detect potential problem credits at an early stage. to minimize credit loss. Loans are categorized as "Pass" or "Special Mention", while NPLs are categorized as "Substandard", "Doubtful" or "Loss" in accordance with MAS Notice 612.

Restructured assets are classified when we have granted concessions or restructured repayment terms to borrowers who are facing difficulties in meeting the original repayment schedules. Such restructured assets are classified in the appropriate non-performing grades based on our assessment of the borrower's financial condition and ability to repay under the restructured terms. Such credit exposure must comply with the restructured terms for a reasonable period before it can be restored to performing status in accordance with MAS Notice 612.

We have dedicated remedial management units manage the restructuring, work-out and recovery of NPA for wholesale portfolios. The objective is to rehabilitate NPA where possible or maximize recoveries for NPA that are on an exit strategy. For retail portfolios, we develop appropriate risk-based and time-based collections strategies to maximize recoveries. We use data such as delinquency buckets and adverse status tags for delinquent consumer loans to constantly analyze, fine-tune and prioritize our collection efforts.

Impairment Allowances for Loans

Allowance for ECL is recognized for credit-impaired and non-credit-impaired loans in accordance with SFRS(I) 9 and MAS Notice 612 through a forward-looking ECL model. ECL allowances are assessed based on the stages of asset quality.

Under SFRS(I) 9, credit loss allowances are measured on each reporting date according to a three-stage expected credit loss impairment model:

- Stage 1 – On initial recognition and at a subsequent reporting date, where this is no significant increase in credit risk, the expected credit loss will be that resulting from default events that are possible over the next 12 months.

- Stage 2 – Where this is a significant increase in credit risk of the loan since the initial recognition, the credit loss allowance will be that resulting from default events that are possible over the expected life of the loan.

- Stage 3 – When a loan exhibits objective evidence of impairment and is considered to be credit-impaired, the credit loss allowance will be the full lifetime expected credit loss.

Market Risk Management

Market risk is the risk of loss of income or market value due to fluctuations in factors such as interest rates, foreign exchange rates, credit spreads, equity and commodity prices or changes in volatility or correlations of such factors. We are exposed to market risks from our trading, client servicing and balance sheet management activities.

Our market risk management strategy and market risk limits are established within our risk appetite and business strategies, taking into account macroeconomic and market conditions. Market risk limits are subject to regular review.

Market Risk Management Oversight and Organization

The Market Risk Management Committee ("**MRMC**") is the senior management group that supports the BRMC and the CEO in managing market risk. The MRMC establishes the market risk management objectives, framework, and policies governing prudent market risk taking, which are backed by risk methodologies, measurement systems, and internal controls.

The MRMC is supported by the Market Risk Management ("**MRM**") department within GRM. MRM is the independent risk control unit responsible for operationalizing the market risk management framework to support business growth while ensuring adequate risk control and oversight.

Market Risk Management Approach

Market risk management is a shared responsibility. Our market risk management framework covers the identification, assessment, measurement, monitoring and control of risks. Group-level market risk policies and procedures are established to provide common guidelines and standards for managing market risks. Our market risk management strategy and limits are regularly reviewed and established within the OCBC Group's risk appetite and business strategies, taking into account prevailing macroeconomic and market conditions.

Market Risk Identification

Risk identification is addressed via our new product approval process at product inception. Market risks are also identified by our risk managers from their ongoing interactions with the business units.

Market Risk Measurements

Value-At-Risk. Value-at-risk ("**VaR**"), as a key market risk measure for our trading activities, is a component of aggregate market risk appetite. VaR is measured and monitored by its individual market risk components, namely interest rate risk, foreign exchange risk, equity risk and credit spread risk, as well as at the consolidated level. VaR is based on a historical simulation approach and is applied against a one-day holding period at a 99% confidence level. As VaR is a statistical measure based on historical market fluctuations, it is not expected to accurately predict forward-looking market conditions all the time. Under the defined confidence threshold, losses on a single trading day may exceed VaR, on average, once every 100 days.

Other Risk Measures. As our main market risk is interest rate fluctuations. Present Value of a Basis Point ("**PV01**"), which measures the change in value of interest rate sensitive exposures resulting from a one basis point increase across the entire yield curve, is an additional measure monitored on a daily basis. Other than VaR and PV01, we also utilize notional amounts, One Basis Point Move in Credit Spreads ("**CS01**") and derivative greeks for specific exposure types, where appropriate, to supplement our risk measurements.

Stress Testing and Scenario Analyses. We also perform stress testing and scenario analyses to better quantify and assess potential losses arising from low probability but plausible extreme market conditions. The stress scenarios are regularly reviewed and fine-tuned to ensure that they remain relevant to our trading activities, risk profile, and prevailing and forecasted economic conditions. These analyses determine if potential losses from such extreme market conditions are within our risk tolerance. Besides the regular stress scenarios, ad hoc event-specific stress scenarios are also used to assess the potential impact of specific market conditions to the OCBC Bank's market risk exposures.

Risk Monitoring and Control

*Limit*s. Only authorized trading activities for approved products may be undertaken by the various trading units. All trading risk positions are monitored on a daily basis against approved and allocated limits by independent support units. Trading activities are conducted within approved mandates and dynamically hedged to remain within limits. Hedge effectiveness is enforced through independent limit monitoring to ensure compliance with market risk limits. Limits are approved to reflect available and anticipated trading opportunities, with clearly defined exception escalation procedures. Exceptions, including any temporary breaches, are promptly reported and escalated to senior management for resolution. Multiple risk limits (VaR and risk sensitivities), profit/loss, and other measures allow for more holistic analysis and management of market risk exposures.

Model Validation. Model validation is also an integral part of our risk control process. Risk models are used to price financial instruments and calculate VaR. We ensure that the models used are fit for their intended purpose through internal verification and periodic reviews. Market rates used for risk measurements and valuation are sourced independently, thereby adding further to the integrity of the trading profits and losses ("**P&L**"), risk and limit control measurements.

Back-testing. To ensure the continued integrity of the VaR model, we conduct back-testing to confirm the consistency of actual daily trading P&L as well as theoretical P&L against the model's statistical assumptions.

Asset Liability Management

Asset liability management is the strategic management of our balance sheet structure and liquidity requirements, covering liquidity sourcing and diversification, as well as interest rate and structural foreign exchange management.

Asset Liability Management Oversight and Organization

The Asset Liability Management Committee ("**ALCO**") is the senior management group that is responsible for the management of our balance sheet and liquidity risks. The ALCO is chaired by the CEO and includes senior management from the business, risk and support units. The ALCO is supported by Corporate Treasury within the Group Finance Division. The Asset Liability Management department within GRM monitors our banking book interest rate, structural foreign exchange and liquidity risk profiles under both baseline and stressed scenarios.

Asset Liability Management Approach

The asset liability management framework focuses on managing the exposures arising from the balance sheet. We monitor our liquidity risk, interest rate risk in the banking book and structural foreign exchange risk profiles against approved risk limits under both business-as-usual and stressed scenarios. These are based on the standards established in our framework, policies and procedures which are subject to regular reviews to ensure that they remain relevant in the context of the prevailing market conditions and practices. The framework comprises liquidity risk management, interest rate risk mismatch management and structural foreign exchange risk management.

Liquidity Risk. The objective of liquidity risk management is to ensure that there are sufficient funds to meet contractual and regulatory financial obligations and to undertake new transactions.

Our liquidity management process involves establishing liquidity management policies and limits, regular monitoring against liquidity risk limits, regular stress testing and refining contingency funding plans. These processes are subject to regular reviews to ensure that they remain relevant in the context of prevailing market conditions.

Liquidity monitoring is performed daily within a framework for projecting cash flows on a contractual and behavioral basis. Simulations of liquidity exposures under stressed market scenarios are performed, and the results are taken into account in the risk management strategies, policies and positions, as well as to develop contingency funding plans. Indicators such as liquidity and deposit concentration ratios are used to establish the level of optimal funding mix and asset composition. Funding strategies are established to provide effective diversification and stability in funding sources across tenors, products and geographies. In addition, we maintain liquid assets in excess of regulatory requirements to strengthen our ability to meet liquidity needs during a crisis. These liquid assets comprise statutory reserve eligible securities as well as marketable shares and debt securities.

Interest Rate Risk. The primary goal of interest rate risk management is to ensure that interest rate risk exposures are maintained within defined risk tolerances and are consistent with the risk appetite parameters.

Interest rate risk is the risk to earnings and capital arising from exposure to adverse movements in interest rates. The material sources of interest rate risk are re-pricing risk, yield curve risk, basis risk and optionality risk. A range of techniques are employed to measure these risks from an earnings and economic value perspective. One method involves the simulation of the impact of a variety of interest rate scenarios on the net interest income and the economic value of our equity. Other measures include interest rate sensitivity measures such as PV01 as well as re-pricing gap profile analysis. Behavioral models are used to assess interest rate risks in relation to loan prepayment, time deposit early redemption and the profile of non-maturity deposits.

Limits and policies to manage interest rate exposures are established in line with our strategy and risk appetite. Thresholds and policies are appropriately approved and reviewed regularly to ensure they remain relevant against the external environment. Control systems are in place to monitor the risk profile against the approved risk thresholds.

Structural Foreign Exchange Risk. Structural foreign exchange exposure arises primarily from net investment in overseas branches, subsidiaries, strategic investments as well as property assets. The objective is to protect capital through identifying, measuring and managing the potential adverse impact of structural foreign exchange risk on capital deployed. We actively manage this risk through hedges and matched funding for foreign currency investments.

Other Risks. Non-structural foreign exchange exposures in the banking book are largely transferred to trading book for foreign exchange risk management. High quality liquid assets ("**HQLA**") held in the banking book to comply with LCR expose us to credit spread risk. While HQLA are of low default risk, their value could be sensitive to changes in credit spread. This risk is monitored against approved CS01 limits on a daily basis and subject to historical and anticipatory stress tests. The other risk residing in the banking book is non-strategic equity price risk arising from our investment in equity securities. These non-strategic equity forms an insignificant portion of our overall securities portfolio, excluding Great Eastern Holdings.

Operational Risk Management

Operational risk is inherent in all banking products, activities, processes and systems. Effective management of operational risk is a fundamental element of our risk management program that enhances our corporate culture. It is the risk of loss resulting from inadequate or failed internal processes and systems, poor management, human error or external events. This is a broad risk category that encompasses: reputational risk, fiduciary risk, fraud risk, unauthorized trading risk, conduct risk, physical and people security risk, business continuity risk, third-party risk, legal and regulatory risk, anti-money laundering, terrorism financing and sanctions risk, as well as technology and information risk.

Operational Risk Management Oversight and Organization

The Operational Risk Management Committee ("**ORC**") is the senior management group that oversees the management of operational risk. ORC ensures that various risk management programs that are in place are appropriate, effective, and support our business strategy.

The Operational Risk Management ("**ORM**") department within GRM establishes the ORM framework, including supporting policies and techniques. The ORM department also independently oversees operational risk monitoring and control that reside within business, products and process owners. The ORM programs are actively implemented through the respective Operational Risk Partners or managers in the business units and subsidiaries. Operational Risk Partners or managers are certified by an industry recognized accreditation program to raise competency levels in managing operational risk.

Operational Risk Management Approach

We adopt a framework that ensures operational risks are properly identified, managed, monitored, mitigated and reported in a structured and consistent manner. It enables us to fulfill our fiduciary duties, comply with legal and regulatory requirements, mitigate other risk factors and manage any reputational risk impact. We aim to manage both expected and unexpected losses, including those caused by catastrophic events. These twin objectives act as parameters to manage our risk as we pursue new business opportunities. Each business unit undertakes risk control self-assessment on a regular basis by evaluating the robustness of its own risk and control environment including compliance with legal and regulatory requirements. Key operational risk indicators are also used to detect early warning signals and to drive appropriate management actions before the risks result in material losses. Operational risk data is also analyzed and reported regularly to senior management.

Senior management attests annually to the Group CEO, BRMC and Audit Committee, on the adequacy and effectiveness of the internal controls and risk management systems and highlights accompanying remedial plans to address any outstanding key control deficiencies.

We have an insurance strategy to reduce earnings volatility arising from unpredictable material adverse operational risk events by transferring the risk to insurers. Our insurance programs protect us and our employees against adverse events relating to crime, cyber risks, professional indemnity, directors' and officers' liability, property damage and public liability.

*Anti-Money Laundering ("**AML**")/Countering the Financing of Terrorism ("**CFT**") and Sanctions Risks*. We recognize the risks associated with money laundering and terrorism. Through a robust groupwide AML/CFT and sanctions framework and program that are aligned with MAS AML/CFT and sanctions regulations, as well as with international organizations, such as the Financial Action Task Force ("**FATF**"), Basel Committee and Wolfsberg Group. There is a dedicated AML/CFT committee which comprises of senior management to oversee the AML/CFT related matters. There are also risk assessment methodologies leveraging our existing monitoring and screening platform, data analytics to assess customer, product and geographical risks, as well as risk surveillance platform to monitor emerging financial crime trends and typologies.

Physical and People Security Risk Management. We have a program to address the physical and security risks to people and assets. This program comprises:

- Established policies, standards and procedures with detailed requirements on the management of physical security risk.
- Active monitoring of external events that may pose a threat to OCBC locations, people and assets.
- Provision of advisories and response procedures to better prepare the Bank and our employees to handle risk events, including risks posed to staff on business travel.
- Regular physical security risk assessments conducted on the Bank's critical infrastructure.

Business Continuity Risk Management. We have a program to minimize the disruption to essential business activities and services during a crisis. The program comprises:

- Robust recovery strategies and business recovery plans which are reviewed and tested annually.
- Regular exercises to enhance awareness and the robustness of the program.
- Annual attestation by senior management to the BRMC on business continuity readiness and extent of alignment with MAS guidelines, with a declaration of acceptable residual risk.

We also enhanced our response plans to cater for incidents that could last for prolonged period e.g. COVID-19. In addition, the plans also address remote working risk on major disruptions to internet services or remote access system.

Fraud Risk Management. We have fraud risk management and whistleblowing programs to prevent and detect fraud or misconduct. These programs comprise:

- Internal and external whistleblowing channels for employees and the public.
- Independent investigations into fraud incidents with regular reporting (including root cause analysis, extent of damage, remedial actions and recovery steps for major incidents) to the Operational Risk Management Committee and BRMC.
- Training for frontline staff to build awareness and share indicators of potential scams.
- Publication of alerts and notices to customers to build and heighten awareness of fraud risks.

Through robust anti-fraud measures utilizing transactional monitoring to detect and alert customers of suspicious account activities and financial malware detection capabilities to block known fraudster devices from interacting with our online banking platforms. Through groupwide reporting and review of significant fraud events to ensure robust and consistent fraud risk program management. By having Group Audit independently review all fraud and whistleblowing cases. The outcomes are reported to the Audit Committee.

Reputational Risk Management. We have a reputational risk management program which focuses on understanding and managing our responsibilities towards our stakeholders and protecting our reputation. This program comprises:

- Policies and procedures to prevent or minimize and manage risk events which could lead to an adverse reputational impact to the Group.
- Identification, assessment, monitoring and mitigation of reputational risk exposures, as well as effective and regular information sharing and engagement with our stakeholders.

Fiduciary Risk Management. We have a fiduciary risk management program to manage risks associated with fiduciary relationships from managing funds or providing other agency services. The program provides guidelines on regular identification, assessment, monitoring of and response to fiduciary risk exposures, to ensure our compliance with applicable fiduciary standards.

Regulatory and Legal Risks. Each business unit is responsible for the adequacy and effectiveness of controls in managing both regulatory and legal risks. This is done through a legal and regulatory compliance risk management framework which defines the required environment and organizational components to ensure compliance with relevant laws, regulations, rules and standards. The framework is complemented by stringent and robust compliance policies, procedures and guidelines based on international best practices which are adapted to our requirements, and regular training to staff. Senior management provides the state of regulatory compliance via an annual Regulatory Compliance Certification to the CEO and BRMC.

Information and Technology Risk. We have an extensive groupwide approach towards governing and managing information and technology risk which comprises:

- A robust governance and oversight framework, supported by a comprehensive suite of policies, standards and risk mitigation initiatives that are integrated across the three lines of defense.

- Multi-layered controls to ensure confidentiality, integrity and availability of our information assets, including preventive and detective control mechanisms to guard against data loss.

- A mandatory risk awareness training program, thematic reviews to bolster our data protection posture, as well as guidance to enhance the management of data loss incidents.

- Appropriate response measures to minimize disruptions to essential banking services during incidents.

Conduct Risk. We have a groupwide culture and conduct framework to encourage right employee behaviors. This framework comprises:

- A robust corporate governance structure with dedicated Board and senior management committees to manage and oversee culture and conduct matters.

- Various policies, programs and initiatives that promote good culture and conduct, effective risk governance and employee accountability. These include a dashboard for the monitoring and reporting of culture and conduct-related matters such as customer compliant trends, staff attrition rates, regulatory breaches, and whistleblowing investigations to management.

- An Employee Conduct Triggers ("**ECT**") Program covering all our staff that provides clear and measurable conduct indicators. Violation of these indicators will incur ECT points; the accumulation of such points is subject to management review and could lead to disciplinary action.

Unauthorized Trading Risk. We have a treasury trade surveillance program to detect and deter rogue trading activities, which comprises:

- Robust governance and clearly-defined roles and responsibilities across the three lines of defense.

- Continuous monitoring and verification of key controls and key risk indicators. These can provide early warning of potential control issues that might create opportunities for unauthorized trading activities and drive risk management actions to rectify any control gaps.

- Independent surveillance and investigation by an independent Control Assurance Function within GRM and strong oversight by various risk committees.

Third-Party Risk. We have a groupwide third-party risk management program to manage risks arising from the use of outsourcing and third-party service providers in a comprehensive and consistent manner. This program comprises:

- A robust governance structure with oversight from a multi-disciplinary Third-Party Risk Management Committee and clearly-defined roles and responsibilities across the three lines of defense.

- A policy and procedure that set out the control expectations to manage risk throughout the life cycle of third-party engagements such as due diligence, ongoing monitoring, renewal and termination.

- By actively engaging the Association of Banks in Singapore ("**ABS**") Outsourcing Advisory Committee and keeping abreast of industry developments.

Cyber Risk Management

Cyber risk is a business risk relating to acts perpetrated by malicious threat actors using information and communication technologies that could affect the confidentiality, integrity and availability of our information assets, technology systems and supporting infrastructure and essential banking services. Effective management of cyber risks is essential to minimizing any negative impact to customers as well as any financial, operational, reputational, legal and/or regulatory impact to the Group.

Cyber Risk Management Approach

We adopt a whole-of-organizational approach to manage cyber risk and resilience for the Group, which comprises (a) framework and policies, (b) cyber defense program (c) cyber risk awareness, training and testing program, (d) cybersecurity incident response and crisis management, and (e) cyber and network security insurance.

Our framework and policies are aligned with international industry guidance on cyber risk and resilience as well as applicable regulatory requirements. Roles and responsibilities across the three independent lines of defense are clearly defined. Every employee has a role to play; we foster close collaboration amongst business and technology units across the Group to enhance cyber resilience.

Our cyber defense program covers preventive, detective and response capabilities to sustain and enhance existing defenses. This includes monitoring our networks and systems for cyber threats through a 24 by 7 cybersecurity operations center and a technology command center. Existing measures are reviewed as well as tested regularly (e.g. vulnerability assessment and penetration testing) while new capabilities are continuously added to address evolving threats.

Our cyber risk awareness, training and testing program seeks to transform people to be the strongest defense. The program improves the overall cyber fabric of the Group by educating all staff on sound cyber hygiene practices and testing them through a variety of phishing emails to enhance cyber vigilance. We also have a Cybersecurity Certification Pathway and a Cyber Smart Program for staff to improve their knowledge, skills and demonstrable behavior. Customers are also educated through online channels while cyber risk awareness sessions are conducted for our outsourced services providers.

We have a cybersecurity incident response and crisis management process to ensure minimal disruption of essential banking services during times of crisis, including cyber-attacks. Cyber incident simulation exercises are conducted regularly to improve the responses of the cybersecurity incident response team to cybersecurity events. Crisis management exercises on cyber-attack scenarios are also conducted regularly to enhance the preparedness of senior management.

Finally, we have relevant cyber and network security insurance to cover damages arising from specific cyber-attack situations, such as cyber extortion, ransomware event and cyber terrorism.

Separately, as part of industry collaboration, we continue to actively engage and share cyber threat information with regulatory agencies like MAS and Cyber Security Agency, as well as with the ABS Standing Committee on Cyber Security and the Financial Services Information Sharing and Analysis Centre.

Competition

We compete principally with the local commercial banks and foreign banks in each of our key markets. We also face competition from a number of additional institutions, including foreign qualifying full banks, wholesale banks and offshore banks, as well as various other types of financial service institutions. As a result of the Singapore government's liberalization of the Singapore banking industry, the number of foreign institutions with foreign full banking licenses and wholesale banking licenses in Singapore has increased over the past ten years.

Employees

As of December 31, 2021, the OCBC Group had more than 30,000 employees.

We believe that people are our main assets and that their talents and abilities – individually and collectively – can be leveraged to give us a competitive advantage. Our employees share ownership schemes continue to receive high participation levels. We aim to provide every person with equal opportunities to develop careers within the Group through continuous learning and training in both core competencies and technical skills.

We are party to the two collective agreements for our unionized colleagues, the OCBC Bank Group Officers' Agreement and the OCBC Bank Group Employees' Agreement. These agreements are generally reviewed once every three years and established through industry-wide negotiations with the unions. We believe we have good relations with our employees.

Employees' Remuneration

The objective of our remuneration policy is to attract, motivate, reward and retain quality staff. Our Board of Directors ensures that the remuneration policies are in line with our strategic objectives and corporate values and do not give rise to conflicts between our objectives and the interests of individual Directors and key executives.

The total compensation package for employees comprises basic salary, fixed bonus, variable performance bonus, allowances, deferred share awards and share options for eligible executives, as well as benefits. Compensation is tied to the achievement of business and performance objectives. Where relevant, financial measurements, adjusted for the various types of risk, include, if appropriate:

(a) Operating efficiency measures which include income, direct and allocated costs and operating profits, net profits as well as efficiency indicators such as unit cost.

(b) Economic efficiency measures such as cost of capital. Capital is attributed to each business based on the amount of risk-weighted assets and return on capital.

(c) Liquidity risk which is factored into the performance measurement of each business through the application of liquidity premiums charged or credited according to the behavioral maturity of each type of asset and liability booked.

Each business unit (including risk and compliance functions) has its own performance measures that match their functions and objectives. In the determination of remuneration of senior executives, we take into account risk and control indicators.

In determining the composition of the compensation package, we take into account the time horizon of risk and include in the total compensation for executives a significant portion of deferred payment in the form of deferred shares.

To ensure that our remuneration package is competitive, we regularly review our base salary ranges and benefits package based on market data provided by recognized surveys of comparative groups in the financial sector. For executives, we adopt a performance-driven approach to compensation. The compensation package is linked to personal performance, the performance of the job function as a whole and our overall performance. Executives' compensation is reviewed each year based on information from market surveys and advice from reputable management consultants. The compensation for senior executives is reviewed by the Remuneration Committee. As a consequence of the financial crisis, financial institutions globally have been reviewing compensation practices to reduce incentives that encourage excessive risk taking. In 2009, the Financial Stability Forum ("**FSF**") developed principles and implementation standards for Sound Compensation Practices for significant financial institutions. Our compensation practices largely meet the FSF principles and implementation standards, and are reviewed regularly to ensure that they continue to meet the FSF principles and implementation standards, if and when there are changes.

The remuneration practices for staff in bargainable positions are established through negotiation with our unions.

Properties

We conduct our property management activities through our wholly-owned subsidiary, OCBC Property Services Private Limited ("**OPS**"). OPS' core business includes managing our property portfolio to optimize rental income, yields and capital values, supporting our operations through cost-effective spatial planning and professional property management of own-occupied premises, and managing our divestment program for identified properties.

Legal and Regulatory Proceedings

From time to time, we may be involved in legal and regulatory proceedings concerning matters that arise in our day-to-day business operations. However, we are not involved in, and are not aware of, any legal or regulatory proceedings the outcome of which would have a material adverse effect on our business, financial condition, results of operations or prospects.

DESCRIPTION OF OCBC BANK'S SYDNEY BRANCH

OCBC Bank was granted the authority to carry on a banking business in Australia on January 29, 1996 under the Australian Banking Act by APRA. OCBC Bank, Sydney Branch was registered in Australia as a foreign company (overseas) on May 22, 1996 (with Australian Registered Body Number 073598035) under the Australian Corporations Act, with its registered office in Australia at Level 2, 75 Castlereagh Street, Sydney, New South Wales, 2000, Australia. It obtained an Australian financial services license under the Australian Corporations Act on January 16, 2004 (License number 237585). This license authorizes it to carry on a financial services business in Australia to provide financial product advice for certain classes of financial products and to deal in financial products in certain circumstances to retail and wholesale clients.

CAPITALIZATION

The following table sets out our capitalization and indebtedness as of December 31, 2021. The information has been extracted from our audited consolidated financial statements as of and for the year ended December 31, 2021. The financial effects of transactions subsequent to December 31, 2021 are not taken into account.

Other than as described below in "Management's Discussion and Analysis of Financial Condition and Results of Operations", there has been no material change in the OCBC Group's capitalization and indebtedness since December 31, 2021.

	As of December 31, 2021
	S$ *(in millions)*
Short-term liabilities[(1)(2)]	
Deposits of non-bank customers	342,395
Deposits and balances of banks	8,239
Trading portfolio liabilities	393
Debt issued	12,586
Other liabilities	20,401
Total short-term liabilities	384,014
Long-term liabilities[(2)]	
Subordinated term notes	2,730
Covered bonds	1,990
Other notes[(3)] (unsecured)	2,809
Total long-term liabilities	7,529
Equity	
Share capital	18,040
Other equity instruments	1,198
Total reserves	33,425
Attributable to OCBC's equity holders	52,663
Non-controlling interests	1,675
Total equity	54,338
Total capitalization[(4)]	445,881

Notes:

(1) Short-term indebtedness includes all deposits of bank and non-bank customers and other liabilities.

(2) Short-term and long-term indebtedness exclude life insurance fund liabilities. Long-term indebtedness includes debt issued with remaining term to contractual maturity exceeding one year.

(3) Includes structured notes and fixed and floating rate notes.

(4) Total capitalization comprises short-term liabilities, long-term liabilities and total equity.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis is based upon information contained in: (i) our audited consolidated financial statements as of and for the years ended December 31, 2019 and 2020 which are incorporated by reference into this Offering Memorandum; and (ii) our audited consolidated financial statements as of and for the year ended December 31, 2021 and the related notes thereto which are set forth beginning on page F-2 of this Offering Memorandum. You should read the following discussion and analysis in conjunction with our financial statements, including the notes thereto. This discussion contains forward-looking statements that reflect our current views with respect to future events and financial performance. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of factors such as those set forth under "Risk Factors" and elsewhere in this Offering Memorandum. Our financial statements have been prepared in accordance with SFRS(I) which differs in certain material respects from U.S. GAAP. Investors should consult their own professional advisors for an understanding of the differences between SFRS(I) and U.S. GAAP, IFRS and the generally accepted accounting principles of other jurisdictions and how those differences might affect the financial information contained in this Offering Memorandum.

Overview

We are the longest established Singapore bank, formed in 1932 from the merger of three local banks, the oldest of which was founded in 1912. As of December 31, 2021, we were the second largest financial services group in Southeast Asia, and are now one of the world's most highly-rated banks, with an Aa1 rating from Moody's and AA- by both Fitch and S&P. Recognized for our financial strength and stability, we have been consistently ranked among the World's Top 50 Safest Banks by Global Finance and have been named Best Managed Bank in Singapore by the Asian Banker. We are listed on the SGX-ST, and are one of the largest listed companies in Singapore by market capitalization.

We offer a broad array of commercial banking, specialist financial and wealth management services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services.

Our key markets are Singapore, Malaysia, Indonesia and Greater China. As of December 31, 2021, we had more than 430 branches and representative offices in 19 countries and regions. These include over 210 branches and offices in Indonesia under subsidiary Bank OCBC NISP, over 60 branches and offices in Mainland China, Hong Kong and Macau under OCBC Wing Hang, and nearly 40 branches in Malaysia under OCBC Bank (Malaysia) Berhad.

Our other financial services businesses, such as insurance, private banking, asset management and stockbroking, are conducted mainly through our subsidiaries. Our 87.9%-owned insurance subsidiary, Great Eastern Holdings, which is listed on the SGX-ST, is the oldest and most established life insurance group in Singapore and Malaysia and is a significant contributor to our profit. Our private banking services are provided by our wholly-owned subsidiary Bank of Singapore, which operates on a unique open-architecture product platform to source for the best-in-class products to meet its clients' goals. Bank of Singapore had US$124 billion in assets under management as of December 31, 2021. Our asset management subsidiary, Lion Global Investors, is one of the largest asset managers in Southeast Asia. As of December 31, 2021, Lion Global had assets under management of S$70.7 billion.

As of December 31, 2021, we had S$542,187 million in total assets, including S$286,281 million in net loans to customers, S$25,462 million in placements with and loans to banks, S$71,286 million in government, debt and equity securities, S$27,919 million in cash balances and placements with central banks, and S$100,096 million in life insurance fund investment securities and other assets. As of December 31, 2021, we had S$342,395 million in non-bank customer deposits, S$8,239 million in deposits and balances of banks, S$54,338 million in total shareholders' equity (including non-controlling interests), S$20,115 million in debt issued, and S$96,306 million in life insurance fund liabilities, respectively.

For the financial year ended December 31, 2021, we reported profit attributable to equity holders of S$4,858 million. By geography and as a percentage of our profit before income tax, for the financial year ended December 31, 2021, Singapore operations accounted for 53.5%, Malaysia operations accounted for 15.1%, Indonesia operations accounted for 5.7%, and Greater China operations accounted for 21.9%. By business segment and as a percentage of our operating profit after allowances and amortization, for the financial year ended December 31, 2021, Global Wholesale Banking contributed 35.1%, Global Consumer/Private Banking contributed 23.1%, Global Treasury and Markets contributed 18.0%, Insurance contributed 25.2%, with -1.4% from Others which comprise mainly property holding, investment holding and items not attributable to the other four business segments. As a percentage of our total income in the financial year ended December 31, 2021, net interest income accounted for 55.3% and non-interest income 44.7%.

Factors Affecting Our Financial Condition and Results of Operations

Our financial condition and results of operations are affected by numerous factors. The following factors are of particular importance.

Operating Environment

Our performance is dependent to a large extent on the general economic developments in our key markets of Singapore, Malaysia, Indonesia and Greater China, which affect our ability to grow our loans, fee-based businesses and other non-interest income activities. The overall operating environment also affects the quality of our loan and investment portfolios, and hence the amount of allowances we set aside. In addition, our expenses are dependent on our growth and expansion plans in the region and impacted by cost and wage pressures in the markets in which we operate.

In 2019, the global economic growth slowed as it continued to be weighed down by the escalating trade conflict between the United States and China, disputes between the United States and its trading partners in Europe, the uncertain outcome of Britain's exit from the European Union, as well as the social unrest in Hong Kong and instability in the Middle East. According to the Singapore Department of Statistics, Singapore's real GDP growth was 1.1% in 2019 compared with 3.7% in 2018, as Singapore's export-oriented economy was impacted by the trade war between the United States and China as well as the cyclical downturn in the electronics sector. Our profit attributable to equity holders increased to S$4,869 million in 2019 from S$4,492 million in 2018.

In 2020, the global economy was impacted by the widespread COVID-19 pandemic. There was severe contraction in the global economy, significant financial market volatility and aggressive policy support measures, including sizeable cuts in global interest rates and sharp increases in fiscal spending to drive growth and demand. 2020 saw severe disruptions in the global supply chain and a sharp fall-off in demand across many industries, leading to sharp deterioration in the growth outlook of major economies. According to the Singapore Department of Statistics, Singapore's real GDP growth was -4.1% in 2020 compared with 1.1% in 2019. Our profit attributable to equity holders declined to S$3,586 million in 2020 from S$4,869 million in 2019.

In 2021, the global economy continued to be impacted by the widespread COVID-19 pandemic as new variants rose even with the development and deployment of COVID-19 vaccines. High energy prices and supply chain pressures have spurred record-high inflation. According to the Singapore Department of Statistics, Singapore's real GDP growth was 7.6 % in 2021 compared with -4.1% in 2020. Our profit attributable to equity holders increased to S$4,858 million in 2021 from S$3,586 million in 2020.

Interest, Deposit and Lending Rate Changes

Our operating results are driven significantly by our net interest income, which accounted for 55.3% of our total income in 2021, 58.8% of our total income in 2020 and 58.2% of our total income in 2019. Net interest income is principally affected by yields on our interest earning assets, costs of interest bearing liabilities and volumes of our interest earning assets and interest bearing liabilities. Our yields and costs are functions of our lending and deposit rates, interbank rates, yields on government and other debt securities, and costs of term debts and other borrowings, which are generally linked to the interest rate environment. In addition, lending and deposit rates are significantly influenced by competition in the markets in which we operate.

Our loans are generally priced either on a fixed rate or floating rate basis. Loans priced at a floating rate refer to those priced at reference lending rates plus or minus a spread, depending on the type of loans and the profile and preference of the borrower. Reference lending rates may be benchmarked with external reference rates, e.g., SORA, or our own established reference rate, e.g., cost of funds, board rate and prime rate.

Allowances and Asset Quality

Our financial condition and results of operations have been and will continue to be affected by our allowances for loans, debt securities and contingent liabilities. Allowances comprise allowances for non-impaired loans, allowances for impaired loans, and allowances and impairment charges for other assets.

Non-performing assets comprise non-performing classified loans, debt securities and contingent liabilities. Our total non-performing assets were S$4,338 million as of December 31, 2021, S$4,005 million as of December 31, 2020 and S$3,883 million as of December 31, 2019.

Our NPL ratio, defined as the ratio of non-performing loans to gross non-bank loans, was 1.5% as of December 31, 2021, 2020 and 2019.

Liquidity

Adverse market and economic conditions in the regional and global economy may limit or adversely affect our access to funding required to operate our business. Adverse conditions may also limit or negatively affect our ability to replace maturing liabilities in a timely manner, and access additional capital necessary to grow our business.

Non-bank customer deposits contributed 76.8%, 73.8% and 74.4% of our funding requirements (total equity and total liabilities excluding life insurance fund liabilities) as of December 31, 2021, 2020 and 2019, respectively. Substantially most of these deposits are denominated in Singapore dollars, U.S. dollars, Malaysian Ringgit and Hong Kong dollars.

Our sources of funding from banks include domestic and foreign interbank markets, and our money market lines with domestic and foreign banks. Deposits and balances of banks contributed 1.8%, 2.2% and 2.0% of our funding requirements (total equity and total liabilities excluding life insurance fund liabilities) as of December 31, 2021, 2020 and 2019, respectively.

As of December 31, 2021, we had total customer deposits and balances of banks of S$350,634 million, representing 78.6% of our funding requirements (total equity and total liabilities excluding life insurance fund liabilities). Our other sources of funding include debt issued, which comprise subordinated debt, fixed and floating notes, covered bonds, commercial paper and structured notes. Debt issued accounted for 4.5%, 5.7% and 7.2% of our funding requirements (total equity and total liabilities excluding life insurance fund liabilities) as of December 31, 2021, 2020 and 2019, respectively.

We depend on our ability to continue to attract deposits and to refinance our debt at commercially acceptable rates, and we continue to finance a portion of our operations with short-term funds. We believe our deposits provide a stable base of funding and we maintained a loans-to-deposits (net loans to non-bank customers to non-bank customer deposits) ratio of 83.6%, 83.7% and 86.5%, as of December 31, 2021, 2020 and 2019, respectively.

A significant portion of our loan assets are denominated in foreign currencies, in particular U.S. dollars, which creates a potential for funding mismatches. We have entered into, and intend to continue to enter into, cross currency swaps, and issue debt securities in foreign currencies to minimize the risk of funding mismatches.

Regulatory Environment

We expect that our financial condition and operating results will be principally affected by regulatory trends in the banking industry.

Following its review of international financial regulations, on December 16, 2010, the Basel Committee published the Basel III rules text, which presents the details of global regulatory standards on bank capital adequacy and liquidity, aimed at strengthening the resilience of the banking sector.

On January 13, 2011, the Basel Committee also published requirements for all non-common equity Tier 1 and Tier 2 capital instruments issued on or after January 1, 2013 to be loss absorbing at the point of non-viability.

The MAS has imposed capital adequacy requirements on banks incorporated in Singapore that are higher than the Basel Committee's requirements on the basis that each of the banks incorporated in Singapore is systemically important and has a substantial retail presence in Singapore. D-SIBs incorporated in Singapore have been required to meet at all times a minimum CET1 CAR, Tier 1 CAR, and Total CAR of 6.5%, 8.0% and 10.0%, respectively. In addition to complying with the minimum CAR requirements, in line with the Basel Committee's requirements, we are required to have a capital conservation buffer of 2.5% at CET1 level, and a countercyclical buffer comprising CET1 capital of up to 2.5%.

For a more detailed description of regulations to which we are subject, see "Supervision and Regulation".

Insurance Operations

Our insurance business is carried out by our 87.9%-owned subsidiary Great Eastern Holdings, which is listed on the SGX-ST. Great Eastern Holdings contributes a significant portion to our profits. It accounted for 21.5%, 22.1% and 18.4% of our profit before income tax in the financial years ended December 31, 2021, 2020 and 2019, respectively. It accounted for 20.5%, 20.6% and 19.8% of our total assets as of December 31, 2021, 2020 and 2019, respectively.

OCBC Bank is represented on the board of Great Eastern Holdings, including each of the board committees except the audit committee. While the business strategy and operations of Great Eastern Holdings are managed separately by its own management team, we work closely with Great Eastern Holdings on some aspects of our businesses to deliver synergies, such as the distribution of Great Eastern Holdings' insurance products through our banking channels in Singapore, Malaysia and Indonesia, and cross-referrals of our banking products by Great Eastern Holdings' tied agents to their customers in Malaysia.

Life insurance activities contribute the majority of Great Eastern Holdings' profit from insurance operations, with the remainder from general insurance. In addition, Great Eastern Holdings earns investment income from the investment of its shareholders' funds, and fee income mainly from the fund management activities of its asset management subsidiary, Lion Global.

The main drivers of Great Eastern Holdings' insurance business are new business sales, investment returns on its life funds, and the long-term profitability of its insurance policies as measured by new business embedded value ("**NBEV**") and in-force business embedded value. New business sales are principally affected by consumer demand, new product launches, the effectiveness of Great Eastern Holdings' distribution channels and competition. Investment returns are principally affected by asset allocation of the life funds, risk profile of the investments, economic environment and market conditions. NBEV is a commonly used technique to estimate the long-term economic value of new business and policies written by a life insurance company. It is defined as the value of projected shareholder distributable profits from new business sold in the year. Typical of the insurance industry, Great Eastern Holdings' accounting profit can be volatile from year to year and from quarter to quarter due to the mark-to-market valuation of its assets and liabilities, and this may also result in some volatility in our profit. The profit volatility arises mainly because policyholders' premiums are invested largely in fixed-income securities and equities, and the valuations of these investments are affected by financial market conditions, including movements in interest rates, credit spreads, equity prices and bond prices. Valuations of policyholder insurance liabilities, i.e., the estimation of the ultimate liabilities arising from claims and guaranteed benefits made under insurance contracts, are also affected by market interest rates used to discount future projected cashflows. For a better understanding of the performance of its underlying insurance business, excluding the impact of mark-to-market valuation of its assets and liabilities, Great Eastern Holdings provides additional disclosure of its operating profit from insurance business. Operating profit is defined as premiums less claims, maturities, surrenders, commissions, expenses and changes in reserves, plus net investment income (dividends, coupons, etc.).

Lion Global's fee income is primarily linked to the size of its assets under management and the performance of the funds it manages.

Principal Income Statement Components

Income (Loss)

Our principal sources of operating income are net interest income, fees and commissions (net), profit from life insurance and premium income from general insurance, dividends, net trading income and other income.

Net Interest Income

Net interest income, or the difference between interest income and interest expenses, is determined by:

(a) the amount of interest earning assets and interest bearing liabilities;

(b) the interest spread; and

(c) the general level of interest rates.

Our principal interest earning assets consist of loans to customers, placements with and loans to banks, debt securities, placements with central banks and Singapore Government treasury bills and securities. Our principal interest bearing liabilities consist of deposits of non-bank customers, deposits and balances of banks and debts issued. We control our exposure to interest rate fluctuations through asset-liability management operations.

Fees and Commissions (Net)

Our fees and commissions (net) is the difference between our fee and commission income and our fee and commission expense, which we derive or incur from the following sources: brokerage, credit card, fund management, investment banking, distribution of wealth management products and services, loan-related activities, service charges, trade-related activities and remittances, guarantees and others.

Profit from Life Insurance

Great Eastern Holdings' profit from life insurance forms part of our non-interest income in our consolidated income statement. It is presented as the difference between life insurance income and life insurance expense, and is determined by:

(a) the amount of regular and single premiums received;

(b) the net investment income generated during the period by the respective life funds;

(c) the amounts paid out for claims, surrenders and annuities;

(d) the change in life insurance fund contract liabilities; and

(e) expenses, including commissions and agency expenses, acquisition costs, reinsurance costs and management expenses.

Profits to shareholders from the Participating Fund are allocated from the surplus or surplus capital of the fund, determined from the results of annual actuarial valuation parameters which are set out in the insurance regulations of the respective jurisdictions in which the insurance subsidiaries operate. The results of the annual actuarial valuation also determine the liabilities relating to all the policyholders' benefits of the Participating Fund. The provisions in the articles of association of the insurance subsidiaries are applied in conjunction with the prescriptions in the respective insurance regulations, such that the distribution for any year to policyholders of the Participating Fund and shareholders approximate 90% and 10%, respectively, of total distribution from the Participating Fund. Any surplus that is not allocated is recognized as unallocated surplus. The unallocated surplus forms part of the life insurance contract liabilities. The annual declaration of the quantum of policyholder bonus and correspondingly the profits to shareholders to be distributed out of the Participating Fund is approved by the Board of Directors of each insurance subsidiary under the advice of the Appointed Actuary of the respective insurance subsidiary, in accordance with the insurance regulations and the Articles of Association of the respective subsidiaries.

For the Singapore life insurance business, the profits from the Non-Participating Fund and Investment Linked Fund are presented net of tax as the tax liability is borne by these respective funds. The profits from the Participating Fund in Singapore, and from all the Malaysia life insurance business, are before tax.

Apart from profit from life insurance, Great Eastern Holdings also contributes to other items in our total income, including net interest income and other non-interest income items.

Premium Income from General Insurance

Premium income from general insurance is the insurance premiums received from Great Eastern Holdings' general insurance business.

Dividends

We derive dividends from our portfolio of FVOCI and fair value through profit or loss ("**FVTPL**") equity securities.

Net trading income

Our net trading income comprises principally foreign exchange income (which includes gains and losses from spot and forward contracts and translation of foreign currency denominated assets and liabilities), net income from hedging activities (which arise from the use of derivatives to hedge exposures to interest rate and foreign exchange risks, which are inherent in the underlying hedged items), net income from interest rate derivative instruments and other derivatives (which include gains and losses from interest rate, equity options and other derivative instruments) and net income from FVTPL securities.

Other Income

The principal components of our other income are disposal of properties, disposal of investment securities and rental income from investment properties that we lease to tenants.

Operating Expenses

Our operating expenses comprise staff costs and other operating expenses.

Staff Costs

Staff costs comprise salaries and other costs, share-based expenses, contribution to defined contribution plans and directors' emoluments.

Other Operating Expenses

Other operating expenses comprise: (a) depreciation costs, maintenance and hire costs, rental and other expenses relating to our property, plant and equipment, including direct operating expenses on leased investment property; (b) auditors' remuneration and other fees; (c) general insurance claims; and (d) others, which includes printing, stationery, communication, advertisement and promotion expenses and legal and professional fees.

Allowances for Loans and Other Assets

Allowances for loans and other assets include allowances for impaired and non-impaired loans and for other assets (including property, plant and equipment and government and debt securities).

Critical Accounting Policies

We have prepared our financial statements contained elsewhere in this Offering Memorandum in accordance with SFRS(I). Note 2 to our audited consolidated financial statements for the financial year ended December 31, 2021 includes a summary of the significant accounting policies and methods we used in preparing these financial statements. The preparation of these statements requires that we make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. We base these estimates on historical experience and on assumptions that we consider reasonable under the circumstances; however, reported results could differ from those based on the current estimates under different assumptions or conditions.

The following accounting policies are those that we believe are or will be the most critical to a full understanding and evaluation of our reported and future financial results because they involve estimates of matters that are inherently uncertain.

Impairment of Goodwill and Other Intangible Assets

We perform an annual review of the carrying value of our goodwill and other intangible assets, against the recoverable amounts of Cash Generating Units ("**CGU**") to which the goodwill and other intangible assets have been allocated. Recoverable amounts of banking CGUs are determined based on the present value of estimated future cash flows expected to arise from the respective CGU's continuing operations. The recoverable amount of insurance CGU is determined using the appraisal value method. Management exercises its judgment in estimating the future cash flows, growth rates and discount rates used in computing the recoverable amounts of the CGUs.

Fair Value Estimation

Fair value is derived from quoted market prices or valuation techniques which maximizes the use of relevant observable inputs and minimize the use of unobservable inputs. The fair values of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) are determined by using valuation techniques. Where unobservable data inputs have a significant impact on the value obtained from the valuation model, such a financial instrument is initially recognized at the transaction price, which is the best indicator of fair value. The difference between the transaction price and the model value, commonly referred to as "day one profit or loss" is not recognized immediately in the income statement.

The timing of recognition of deferred day one profit or loss is determined individually. It is amortized over the life of the transaction, released when the instrument's fair value can be determined using market observable inputs, or when the transaction is derecognized.

Income Taxes

We are subject to income taxes in several jurisdictions. Significant judgment is required in determining the capital allowances and deductibility of certain expenses in estimating the income tax liabilities. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. We recognize liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax balances in the period in which the determination is made.

Impairment of Financial Assets

In determining whether the credit risk of the Group's financial exposures has increased significantly since initial recognition, the Group considers quantitative and qualitative information such as the Group's historical credit assessment experience and available forward-looking information. Expected Credit Losses ("**ECL**") estimates are based on probability-weighted forward-looking economic scenarios. The parameters used in ECL measurement (probability of default, loss given default and exposure at default) incorporates forward-looking information. The determination of the forward-looking economic scenarios and incorporation of forward-looking information into ECL measurement requires management to exercise judgment based on its assessment of current macroeconomic conditions.

Liabilities of Insurance Business

The estimation of the ultimate liabilities arising from claims made under life and non-life insurance contracts is one of the most critical accounting estimates for Great Eastern Holdings. There are several sources of uncertainty that need to be considered in the estimation of the liabilities that will ultimately be required to pay as claims.

For life insurance contracts, estimates are made for future deaths, disabilities, morbidity, lapses, voluntary terminations, investment returns, administration expenses and discount rates. Great Eastern Holdings relies on standard industry and national mortality and morbidity tables which represent historical experience, and makes appropriate adjustments for its respective risk exposures and portfolio experience in deriving the mortality and morbidity estimates. These estimates provide the basis for the valuation of the future benefits to be paid to policyholders, and to ensure adequate provisions which are monitored against current and future premiums. For those contracts that insure risk on longevity and disability, estimates are made based on recent past experience and emerging trends. Epidemics and changing patterns of lifestyle could result in significant changes to the expected future exposures.

Each year, these estimates are assessed for adequacy and changes will be reflected as adjustments to the insurance contract liabilities.

For non-life insurance contracts, estimates have to be made for both the expected ultimate cost of claims reported at the balance sheet date and for the expected ultimate cost of claims incurred but not yet reported at the balance sheet date.

For further information on the significant accounting policies with respect to Great Eastern Holdings, see Note 2 of the notes to our audited consolidated financial statements as of and for the financial year ended December 31, 2021.

Insurance Contract Classification

Contracts are classified as insurance contracts where significant insurance risk is transferred from the policyholder to Great Eastern Holdings. Great Eastern Holdings exercises judgment about the level of insurance risk transferred. The level of insurance risk is assessed by considering whether upon the occurrence of the insured event, Great Eastern Holdings is required to pay significant additional benefits. These additional benefits include claims liability and assessment costs, but exclude the loss of the ability to charge the policyholder for future services. The assessment covers the whole of the expected term of the contract where such additional benefits could be payable. Some contracts contain options for the policyholder to purchase insurance risk protection at a later date; these insurance risks are deemed not significant.

Recent Accounting Pronouncements

For the year ended December 31, 2021, we adopted various new or revised financial reporting standards (including their consequential amendments) and interpretations that became effective from January 1, 2021. The initial application of these standards and interpretations does not have any material impact on our consolidated financial statements, except for the amendments to SFRS(I) 9, SFRS (I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16 (Amendments) Interest Rate Benchmark Reform – Phase 2. See Note 2.1 of the notes to our audited consolidated financial statements as of and for the financial year ended December 31, 2021 for a summary of the standards and interpretations that became effective from January 1, 2021.

Results of Operations

The following table provides a breakdown of our income statement for the periods indicated. You should read this table together with our financial statements, including the notes thereto, appearing elsewhere in this Offering Memorandum.

	Year ended December 31,		
	2019	**2020**	**2021**
	S$	**S$**	**S$**
		(in millions)	
Total interest income	12,098	9,143	7,425
Total interest expense	(5,767)	(3,177)	(1,570)
Net interest income	6,331	5,966	5,855
Non-interest income	4,540	4,173	4,741
Total income	10,871	10,139	10,596
Staff costs	(2,840)	(2,748)	(3,028)
Other operating expenses	(1,804)	(1,691)	(1,736)
Total operating expenses	(4,644)	(4,439)	(4,764)
Operating profit before allowances and amortization	6,227	5,700	5,832
Amortization of intangible assets	(103)	(104)	(103)
Allowances for loans and other assets	(890)	(2,043)	(873)
Operating profit after allowances and amortization	5,234	3,553	4,856
Share of results of associates, net of tax	566	612	824
Profit before income tax	5,800	4,165	5,680
Income tax expense	(778)	(437)	(648)
Profit for the period	5,022	3,728	5,032
Profit attributable to:			
Equity holders of OCBC Bank	4,869	3,586	4,858
Non-controlling interests	153	142	174
	5,022	3,728	5,032

Segment Information

Business Segments

For the purpose of financial reporting of business segment results, our businesses are presented under five main segments representing the key customer and product groups: Global Consumer/ Private Banking, Global Wholesale Banking, Global Treasury and Markets, Insurance and Others.

Global Consumer/Private Banking provides a full range of products and services to individual customers. At Global Consumer Banking, the products and services offered include deposit products (checking accounts, savings and fixed deposits), consumer loans (housing loans and other personal loans), credit cards, wealth management products (unit trusts, bancassurance products and structured deposits) and brokerage services. Private Banking caters to the specialized banking needs of high net worth individuals, offering wealth management expertise, including investment advice and portfolio management services, estate and trust planning, and wealth structuring.

Global Wholesale Banking serves institutional customers ranging from large corporates and the public sector to small and medium enterprises. The business provides a full range of financing solutions including long-term project financing, short-term credit, working capital and trade financing, as well as customized and structured equity-linked financing. It also provides customers with a broad range of products and services such as cash management and custodian services, capital market solutions, corporate finance services and advisory banking, and treasury products.

Global Treasury and Markets is responsible for the management of the Group's asset and liability interest rate positions, engages in foreign exchange activities, money market operations, fixed income and derivatives trading, and offers structured treasury products and financial solutions to meet customers' investment and hedging needs. Income from treasury products and services offered to customers of other business segments, such as Global Consumer/Private Banking and Global Wholesale Banking, is reflected in the respective business segments.

The Group's insurance business, including its fund management activities, is undertaken by 87.9%-owned subsidiary GEH and its subsidiaries, which provide both life and general insurance products to its customers mainly in Singapore and Malaysia.

Others comprise mainly property holding, investment holding and items not attributable to the business segments described above.

Where there are material changes in the organizational structure and management reporting methodologies, segment information for prior periods is restated to allow comparability where possible.

The following tables show the breakdown of total income and operating profit after allowances and amortization[1] by business segment.

	Year ended December 31,		
	2019	2020	2021
	S$	S$	S$
	(in millions, except for percentages)		
Total Income			
Global Consumer/Private Banking	3,994	3,749	3,685
Global Wholesale Banking	3,959	3,502	3,684
Global Treasury and Markets	980	1,215	1,210
Insurance	1,470	1,275	1,594
Others	468	398	423
Total	10,871	10,139	10,596

	Year ended December 31,		
	2019	2020	2021
	S$	S$	S$
	(in millions, except for percentages)		
Operating Profit after Allowances and Amortization			
Global Consumer/Private Banking	1,540	1,205	1,121
Global Wholesale Banking	1,796	642	1,706
Global Treasury and Markets	684	904	873
Insurance	1,068	919	1,224
Others	146	(117)	(68)
Total	5,234	3,553	(4,856)

Note:

(1) With effect from January 1, 2021, the basis for determining the breakdown of total income and operating profit after allowances and amortization by business segments was updated to reflect how the business segments' profitability are being analyzed. Accordingly, the comparative figures for total income and operating profit after allowances and amortization for the immediate preceding period (i.e. the year ended December 31, 2020) were restated to facilitate comparison with the year ended December 31, 2021.

For further details of our business segments, see Note 38.1 of the notes to our audited consolidated financial statements as of and for the years ended December 31, 2019 and Note 37.1 of the notes to our audited consolidated financial statements for the year ended December 31, 2020 and 2021 respectively.

In addition to the above classifications, we also regard our wealth management related businesses as an important part of our business. Our wealth management income, comprising consolidated income from our insurance, premier and private banking, asset management, and stockbroking, decreased from S$3.76 billion in 2019 to S$3.54 billion in 2020 and increased to S$3.92 billion in 2021. In the table on total income by business segments, the wealth management income is spread across the different segments.

Geographic Segments

We also classify our business activities by geographical segments. The following tables show the breakdown of total income and profit before income tax by geographic segment.

	Year ended December 31,		
	2019	**2020**	**2021**
	S$	**S$**	**S$**
	(in millions, except for percentages)		
Total Income			
Singapore	6,552	5,459	5,955
Malaysia	1,469	1,616	1,619
Indonesia	849	913	940
Greater China	1,494	1,603	1,453
Other Asia Pacific	224	242	262
Rest of the World	283	306	367
Total	10,871	10,139	10,596

	Year ended December 31,		
	2019	**2020**	**2021**
	S$	**S$**	**S$**
	(in millions, except for percentages)		
Profit Before Income Tax			
Singapore	3,221	1,505	3,039
Malaysia	830	850	860
Indonesia	274	225	325
Greater China	1,154	1,285	1,243
Other Asia Pacific	156	123	102
Rest of the World	165	177	111
Total	5,800	4,165	5,680

See Note 38.2 of the notes to our audited consolidated financial statements as of and for the year ended December 31, 2019, and Note 37.2 of the notes to our audited consolidated financial statements as of and for the years ended December 31, 2020 and 2021 for further details of our geographical segments.

Net Interest Income and Net Interest Margin

The following table sets forth the principal components, analyzed by major source, of interest income and interest expense for the periods indicated. For the purposes of the following table, period averages are calculated based on the average of month-end values.

	Year ended December 31,		
	2019	2020	2021
	S$	S$	S$
	(in millions, except for percentages)		
Interest Income:			
Loans to customers	9,086	6,992	5,786
Placements with and loans to banks	1,503	839	448
Other interest earning assets	1,509	1,312	1,191
Total interest income	12,098	9,143	7,425
Interest expense:			
Deposits of non-bank customers	(4,807)	(2,699)	(1,300)
Deposits and balances of banks	(192)	(92)	(68)
Other borrowings	(768)	(386)	(202)
Total interest expenses	(5,767)	(3,177)	(1,570)
Net interest income	6,331	5,966	5,855
Average interest yield[(1)]	3.39%	2.47%	1.96%
Average interest cost[(2)]	1.73%	0.92%	0.44%
Net interest margin[(3)]	1.77%	1.61%	1.54%
Net interest spread[(4)]	1.66%	1.55%	1.52%
Average interest earning assets	357,359	369,488	379,689
Average interest bearing liabilities	333,714	346,391	355,232

Notes:

(1) Total interest income divided by average interest earning assets.

(2) Total interest expense divided by average interest bearing liabilities.

(3) Net interest income as a percentage of average interest earning assets.

(4) Difference between average interest yield on interest earning assets and average interest cost on interest bearing liabilities.

For the purposes of this sub-section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations – Net Interest Income and Net Interest Margin", period averages are calculated based on the average of month-end values.

Net Interest Income and Net Interest Margin

2021 compared to 2020. Our net interest income decreased 1.9% to S$5,855 million in 2021 from S$5,966 million in 2020, mainly driven by a fall in NIM, despite an increase in average asset balances. NIM contracted 7 basis points to 1.54% from 1.61% in 2020. Average interest earning assets increased 2.8% to S$379,689 million in 2021 from S$369,488 million in 2020.

2020 compared to 2019. Our net interest income decreased 5.8% to S$5,966 million in 2020 from S$6,331 million in 2019, as average assets growth was offset by a 16 basis points decline in NIM to 1.61% from 1.77% in 2019. The contraction in NIM was mainly attributable to a significantly lower interest rate environment and a decline in loans-to-deposits ratio from strong deposits growth. Average interest earning assets increased 3.4% to S$369,488 million in 2020 from S$357,359 million in 2019.

Volume and Rate Analysis

The following table allocates changes in interest income and interest expense between changes in volume and changes in rate for the periods shown. Changes in volume are calculated based on the change in the average balance (in both periods) multiplied by the average rate of the first period. Changes in rate are calculated based on the change in the rate yield (in both periods) multiplied by the average balance of the first period. Volume/rate variance is prorated according to changes in volume and rate.

	Year ended December 31,					
	2020 over 2019			2021 over 2020		
	Increase/(decrease) due to changes in			Increase/(decrease) due to changes in		
	Volume	Rate	Net change	Volume	Rate	Net change
	S$ (in millions)					
Interest income:						
Loans to customers	275	(2,393)	(2,118)	215	(1,402)	(1,187)
Placements with and loans to banks	(5)	(664)	(669)	(52)	(337)	(389)
Other interest earnings assets	129	(329)	(200)	113	(230)	(117)
Total	399	(3,386)	(2,987)	276	(1,969)	(1,693)
Interest expense:						
Deposits of non-bank customers	217	(2,337)	(2,120)	118	(1,509)	(1,391)
Deposits and balances of banks	18	(118)	(100)	(12)	(12)	(24)
Other borrowings	(47)	(338)	(385)	(49)	(134)	(183)
Total	188	(2,793)	(2,605)	57	(1,655)	(1,598)
Impact on net interest income	211	(593)	(382)	219	(314)	(95)
Due to change in number of days			17			(16)
Net interest income			(365)			(111)

Non-Interest Income

The following table sets forth the principal components of non-interest income for the periods indicated.

	Year ended December 31,		
	2019	**2020**	**2021**
	S$	**S$**	**S$**
	(in millions, except for percentages)		
Non-Interest Income:			
Fees and commissions (net)	2,123	2,003	2,245
Profit from life insurance	779	698	1,137
Premium income from general insurance	197	201	197
Dividends	92	78	113
Net trading income[(1)]	977	863	763
Other income[(1)]	372	330	286
Total non-interest income	4,540	4,173	4,741
Non-interest income/Total income	41.8%	41.2%	44.7%

Note:

(1) "Rental income" was disclosed as a separate line item and "Net trading income" was subsumed and disclosed as part of "Other income" in the financial statements for the years ended December 31, 2019.

2021 compared to 2020. Our total non-interest income increased 13.6% to S$4,741 million in 2021 from S$4,173 million in 2020 driven by increases in net fee income and profit from life insurance.

2020 compared to 2019. Our total non-interest income decreased 8.1% to S$4,173 million in 2020 from S$4,540 million in 2019, mainly due to lower net fee income, net trading income and profit from life insurance.

Fees and Commissions (Net)

The following table sets forth our fees and commissions net of expenses, broken down by major sources, for the periods indicated.

	Year ended December 31,		
	2019	**2020**	**2021**
	S$	**S$**	**S$**
	(in millions, except for percentages)		
Brokerage	82	140	141
Credit card	348	274	287
Fund management	115	122	133
Guarantees	16	14	14
Investment banking	106	87	106
Loan-related	307	165	179
Service charges	99	84	79
Trade-related and remittances	254	252	286
Wealth management	1,036	1,130	1,310
Others	44	45	46
	2,407	2,313	2,581
Fee and commission expense	(284)	(310)	(336)
Total fees commissions (net)	2,123	2,003	2,245
Fees and commissions/Total income	19.5%	19.8%	21.2%

2021 compared to 2020. Our total net fees and commissions increased 12.1% to S$2,245 million in 2021 from S$2,003 million in 2020, mainly driven by an increase in wealth management fee income. Wealth management fee income increased 15.9% to S$1,310 million in 2021 from S$1,130 million in 2020.

2020 compared to 2019. Our total net fees and commissions decreased 5.6% to S$2,003 million in 2020 from S$2,123 million in 2019, as an increase in wealth management fees from strong customer investment activities was offset by lower loan-related and credit card fee income. Wealth management fee income increased 9.1% to S$1,130 million in 2020 from S$1,036 million in 2019.

Profit from Life and General Insurance

The following table sets forth our income, expenses and profit from life and general insurance for the periods indicated. Profit is stated on a net of tax basis for the Singapore Non-Participating Fund and Investment Linked Fund.

	Year ended December 31,		
	2019	**2020**	**2021**
	S$	**S$**	**S$**
		(in million)	
Income:			
Annual	7,372	7,780	8,209
Single	4,041	7,371	10,380
Gross premiums	11,413	15,151	18,589
Reinsurances	(448)	(559)	(602)
Premium income (net)	10,965	14,592	17,987
Investment income (net)	6,911	6,298	1,519
Total income	17,876	20,890	19,506
Expenses:			
Gross claims, surrenders and annuities	(6,636)	(10,170)	(11,215)
Claims, surrenders and annuities recovered from reinsurers	232	596	443
Net claims, surrenders and annuities	(6,404)	(9,574)	(10,772)
Net change in life insurance contract liabilities	(8,557)	(9,009)	(4,196)
Commission and agency expenses	(1,062)	(1,209)	(1,401)
Depreciation – property, plant and equipment	(65)	(70)	(71)
Other expenses	(934)	(341)	(1,845)
Total expenses	(17,022)	(20,203)	(18,285)
Surplus from operations	854	687	1,221
Share of results of associates	(#)	#	–
Income tax (expense)/credit	(75)	11	(84)
Profit from life insurance	779	698	1,137
Premium income from general insurance	197	201	197
Profit from life and general insurance	976	899	1,334

Note:

represents amounts less than $0.5 million.

2021 compared to 2020. Our profit from life and general insurance increased 48.4% to S$1,334 million in 2021 from S$899 million in 2020, principally as a result of growth in gross premiums and smaller increase in insurance contract liabilities from Great Eastern Holdings' insurance business.

2020 compared to 2019. Our profit from life and general insurance decreased 7.9% to S$899 million in 2020 from S$976 million in 2019, mainly as a result of higher insurance contract liabilities resulting from a lower discount rate used to value these liabilities, in line with the fall in market interest rates.

Dividends

2021 compared to 2020. Our dividends increased by 44.3% to S$113 million in 2021 from S$78 million in 2020.

2020 compared to 2019. Our dividends decreased by 15.1% to S$78 million in 2020 from S$92 million in 2019.

Net Trading Income

The following table sets forth our net trading income for the periods indicated.

	Year ended December 31,		
	2019	**2020**	**2021**
	S$	**S$**	**S$**
		(in millions)	
Foreign exchange[1]	463	585	389
Hedging activities[2]			
Hedging instruments	(92)	133	(145)
Hedged items	95	(133)	145
Net gain/(loss) from fair value hedge ineffectiveness	3	#	(#)
Net (loss)/gain from interest rate and other derivative financial instruments[3]	(83)	(41)	341
Net gain from non-derivative financial instruments[4]	592	318	45
Others	2	1	(12)
Net trading income	977	863	763

Notes:

(1) "Foreign exchange" include gains and losses from spot and forward contracts and translation of foreign currency denominated assets and liabilities.

(2) "Hedging activities" arise from the use of derivatives to hedge exposures to interest rate and foreign exchange risks, which are inherent in the underlying "Hedged items".

(3) "Interest rate and other derivatives" include gains and losses from interest rate derivative instruments, equity options and other derivative instruments.

(4) "Non-derivative financial instruments" include trading gains and losses from fair value financial instruments which are either designated at initial recognition or mandatorily measured at FVTPL.

represents amounts less than $0.5 million.

2021 compared to 2020. Our net trading income decreased by 11.6% to S$763 million in 2021 from S$863 million in 2020 mainly attributable to a decline in non-customer flow income.

2020 compared to 2019. Our net trading income decreased by 11.7% to S$863 million in 2020 from S$977 million in 2019, as higher customer flow income was more than offset by lower mark-to market gains in GEH's investment portfolio.

Other Income

The following table sets forth our other income for the periods indicated.

	Year ended December 31,		
	2019	**2020**	**2021**
	S$	**S$**	**S$**
		(in millions)	
Disposal of investment securities	171	208	92
Disposal of subsidiaries	1	9	–
Disposal of plant and equipment	(1)	(1)	(1)
Disposal of properties	83	45	108
Rental and property-related income	91	63	66
Others	27	6	21
Total	372	330	286

2021 compared to 2020. Our total other income decreased 13.4% to S$286 million in 2021 from S$330 million in 2020, principally as a result of lower net gains from the sale of investment securities of S$92 million in 2021, down from S$208 million in 2020. These were partly offset by higher net gains from the sale of properties of S$108 million, up from S$45 million in 2020.

2020 compared to 2019. Our total other income decreased 11.4% to S$330 million in 2020 from S$372 million in 2019, mainly as a result of lower rental and property-related income and lower gains from disposal of properties. These were partly offset by higher net gains from the sale of investment securities of S$208 million, up from S$171 million in 2019.

Operating Expenses

The following table shows a breakdown of our operating expenses for the periods indicated.

	Year ended December 31,		
	2019	2020	2021
	S$	S$	S$
		(in millions)	
Staff costs:			
Salaries and other costs	2,553	2,457	2,723
Share-based expenses	69	75	72
Contribution to defined contribution plans	202	199	223
Directors' emoluments	16	17	10
Total staff costs	2,840	2,748	3,028
Other operating expenses:			
Property and equipment	858	862	868
Auditors' remuneration	9	9	10
Other fees	2	3	3
General insurance claims	107	101	98
Others	828	716	757
Total other operating expenses	1,804	1,691	1,736
Total operating expenses	4,644	4,439	4,764

2021 compared to 2020. Our total operating expenses increased 7.3% to S$4,764 million in 2021 from S$4,439 million in 2020. Staff costs rose 10.2% to S$3,028 million in 2021 from S$2,748 million in 2020, principally attributable to headcount growth from continued investment in the areas of digitalization and wealth management to support strategic priorities and lesser government job support grants in 2021 compared to 2020. The average number of staff increased from 30,529 in 2020 to 30,610 in 2021.

2020 compared to 2019. Our total operating expenses decreased 4.4% to S$4,439 million in 2020 from S$4,644 million in 2019, mainly as a result of lower staff costs and a decrease in discretionary expenses including business promotion costs and travelling expenditure. Staff costs decreased 3.2% to S$2,748 million in 2020 from S$2,840 million in 2019. The average number of staff increased from 30,274 in 2019 to 30,529 in 2020.

Allowances for Loans and Other Assets

The following table shows a breakdown of our allowances for loans and other assets for the periods indicated.

	Year ended December 31,		
	2019	**2020**	**2021**
	S$	**S$**	**S$**
		(in millions)	
Allowances for impaired loans	856	1,149	852
Allowances for impaired other assets	2	30	3
Allowances for non-impaired loans	39	860	15
(Write-back)/allowances for non-impaired other assets	(7)	4	3
Net allowances for loans and other assets	890	2,043	873

2021 compared to 2020. Our net allowances for loans and other assets decreased 57.3% to S$873 million in 2021 from S$2,043 million in 2020. The year-on-year decrease was largely attributable to lower allowances for both impaired and non-impaired loans, where the Group set aside additional allowances for non-impaired assets to cushion against the uncertain operating outlook in 2020.

2020 compared to 2019. Our net allowances for loans and other assets increased 129.5% to S$2,043 million in 2020 from S$890 million in 2019, principally as a result of allowances made for loans to a Singapore oil trader and the write-down of the remaining OSV non-performing loans. The year-on-year increase in allowances for non-impaired assets was mainly due to management overlay above the model requirements on a forward-looking basis and macro-economic variable adjustments.

Profit Before Income Tax

2021 compared to 2020. Our profit before income tax increased by 36.4% to S$5,680 million in 2021 from S$4,165 million in 2020.

2020 compared to 2019. Our profit before income tax decreased by 28.2% to S$4,165 million in 2020 from S$5,800 million in 2019.

Income Tax Expense

2021 compared to 2020. Our income tax expense increased by 48.3% to S$648 million in 2021 from S$437 million in 2020.

2020 compared to 2019. Our income tax expense decreased by 43.8% to S$437 million in 2020 from S$778 million in 2019. This was largely driven by a one-off positive tax impact recognized by Great Eastern Holdings following finalization of prior years' tax assessment.

Profit for the Year

2021 compared to 2020. Our profit for the year increased by 35.0% to S$5,032 million in 2021 from S$3,728 million in 2020, driven by strong growth in non-interest income and lower allowances, which offset a decline in net interest income amid a low interest rate environment.

2020 compared to 2019. Our profit for the year decreased by 25.8% to S$3,728 million in 2020 from S$5,022 million in 2019, primarily due to the decline in net interest margin as a result of the sharp drop in market interest rates and higher expected credit loss allowances to buffer against the deterioration in macroeconomic conditions.

Financial Condition

Total Assets

December 31, 2021 compared to December 31, 2020. Our total assets increased by 4.0% to S$542,187 million as of December 31, 2021 as compared to S$521,395 million as of December 31, 2020, primarily due to increase in other government treasury bills and securities and loans to customers, partly offset by decline in placements with and loans to banks.

December 31, 2020 compared to December 31, 2019. Our total assets increased by 6.0% to S$521,395 million as of December 31, 2020 as compared to S$491,691 million as of December 31, 2019, primarily due to increase in cash and placements with central banks, debt and equity securities, other government treasury bills and securities, derivative receivables and life insurance fund investment securities and other assets.

Loans to customers

December 31, 2021 compared to December 31, 2020. Our net loans to customers increased by 8.6% to S$286,281 million as of December 31, 2021 as compared to S$263,538 million as of December 31, 2020. The increase in year-on-year loans was primarily due to higher loans to the building and construction, financial institutions, investment and holding companies, and professional and individuals sectors.

December 31, 2020 compared to December 31, 2019. Our net loans to customers increased by 0.5% to S$263,538 million as of December 31, 2020 as compared to S$262,348 million as of December 31, 2019. The year-on-year loan growth was led by higher loans to the building and construction, and transport, storage and communication sectors.

Placements with and Loans to Banks

As of December 31, 2021, we had placements with and loans to banks of S$25,462 million, 22.4% lower as compared to S$32,816 million as of December 31, 2020. As of December 31, 2020, we had placements with and loans to banks of S$32,816 million, an 8.5% decrease from S$35,864 million as of December 31, 2019. Movements in our interbank balances largely reflect the net result of our asset-liability management strategy, the deployment of excess funds as well as our interbank money market activities to capitalize on the interest rate yield curve.

Other Income Earning Assets

Other income earning assets include principally debt and equity securities, cash and placements with central banks, Singapore Government treasury bills and securities and other government treasury bills and securities.

As of December 31, 2021, we had debt and equity securities of S$34,015 million, a 2.6% increase from S$33,143 million as of December 31, 2020. As of December 31, 2020, we had debt and equity securities of S$33,143 million, a 13.3% increase from S$29,253 million as of December 31, 2019. See Note 29 of our notes to our audited consolidated financial statements as of and for the financial year ended December 31, 2021 for further information on our debt and equity securities.

As of December 31, 2021, we had cash and placements with central banks of S$27,919 million, a 5.3% increase from S$26,525 million as of December 31, 2020. As of December 31, 2020, we had cash and placements with central banks of S$26,525 million, a 14.3% increase from S$23,201 million as of December 31, 2019.

As of December 31, 2021, 2020 and 2019, we had holdings in Singapore Government treasury bills and securities of S$11,112 million, S$10,628 million and S$11,042 million, respectively.

Total Liabilities

December 31, 2021 compared to December 31, 2020. Our total liabilities increased by 3.7% to S$487,849 million as of December 31, 2021 as compared to S$470,219 million as of December 31, 2020, primarily due to increase in deposits of non-bank customers, partly offset by a decline in derivative payables and debt issued.

December 31, 2020 compared to December 31, 2019. Our total liabilities increased by 6.1% to S$470,219 million as of December 31, 2020 as compared to S$443,088 million as of December 31, 2019, primarily due to increase in deposits of non-bank customers, deposits and balances of banks, derivative payables, and life insurance fund liabilities, partly offset by lower debt issued.

Deposits of Non-Bank Customers

December 31, 2021 compared to December 31, 2020. Our deposits of non-bank customers increased by 8.7% to S$342,395 million as of December 31, 2021 as compared to S$314,907 million as of December 31, 2020, primarily due to a 14.1% increase in current account and savings deposit ("**CASA**"), and the ratio of CASA to total non-bank deposits was higher at 63.3% compared to 60.3% as of December 31, 2020.

December 31, 2020 compared to December 31, 2019. Our deposits of non-bank customers increased by 4.0% to S$314,907 million as of December 31, 2020 as compared to S$302,851 million as of December 31, 2019, primarily due to a 29.6% increase in CASA, and the ratio of CASA total non-bank deposits was higher at 60.3% as compared to 48.4% as of December 31, 2019.

Deposits and Balances of Banks

As of December 31, 2021, we had deposits and balances of banks of S$8,239 million, a 14.1% decrease from S$9,586 million as of December 31, 2020. As of December 31, 2020, we had deposits and balances of banks of S$9,586 million, a 16.2% increase from S$8,250 million as of December 31, 2019. Movements in our interbank balances largely reflect the net result of our asset-liability management strategy, as well as our interbank money market activities to capitalize on the interest rate yield curve.

Debt Issued

We actively manage our liquidity and funding positions to diversify our funding sources, including debt issuances. Debt issued included various series of subordinated notes, fixed and floating rate notes, covered bonds, commercial paper and structured notes. See Note 21 of the notes to our audited consolidated financial statements as of and for the financial year ended December 31, 2021 for further details of the debts that we have issued.

December 31, 2021 compared to December 31, 2020. Our debt issued decreased by 17.4% to S$20,115 million as of December 31, 2021 as compared to S$24,355 million as of December 31, 2020, primarily due to a decrease in commercial papers issued.

December 31, 2020 compared to December 31, 2019. Our debt issued decreased by 17.1% to S$24,355 million as of December 31, 2020 as compared to S$29,388 million as of December 31, 2019, primarily due to a decrease in commercial papers issued.

In August 2004, we established a Euro Commercial Paper Program, which was upsized from U.S.$5.0 billion to U.S.$10.0 billion in August 2012. In April 2016, we established a U.S.$15.0 billion U.S. Commercial Paper Program, which was upsized to U.S.$25.0 billion in September 2020. In November 2016, we established a U.S.$10.0 billion Global Covered Bond Program. As of December 31, 2021, we had an aggregate of S$8,668 million and S$3,521 million of commercial papers and covered bonds outstanding, respectively.

Off-Balance Sheet Items

Contingent Liabilities

Our contingent liabilities consist of acceptances, guarantees, documentary credits and other similar transactions. Acceptances are undertakings by us to pay on receipt of bills of exchange drawn. We issue guarantees on the performance of customers to third parties. Documentary credits commit us to make payments to third parties on presentation of stipulated documents. As we will only be required to meet these obligations in the event of customer's default, the cash requirements of these instruments are expected to be considerably below their nominal contractual amounts. See Note 43 of the notes to our audited consolidated financial statements as of and for the financial year ended December 31, 2021 for further details of our contingent liabilities.

December 31, 2021 compared to December 31, 2020. Our contingent liabilities increased by 25.3% to S$16,651 million as of December 31, 2021 as compared to S$13,292 million as of December 31, 2020.

December 31, 2020 compared to December 31, 2019. Our contingent liabilities decreased by 4.7% to S$13,292 million as of December 31, 2020 as compared to S$13,944 million as of December 31, 2019.

Commitments

Commitments comprise mainly agreements to provide credit facilities to customers. Such commitments can either be made for a fixed period or have no specific maturity but are cancellable by us subject to notice requirements. See Note 44 of the notes to our audited consolidated financial statements as of and for the financial year ended December 31, 2021 for further details of our commitments.

December 31, 2021 compared to December 31, 2020. Our commitments increased by 4.6% to S$171,641 million as of December 31, 2021 as compared to S$164,031 million as of December 31, 2020.

December 31, 2020 compared to December 31, 2019. Our commitments increased by 5.0% to S$164,031 million as of December 31, 2020 as compared to S$156,293 million as of December 31, 2019.

Derivative Financial Instruments

We hold derivative financial instruments for both trading and hedging purposes. The contractual or underlying principal amounts of our derivative financial instruments and their corresponding gross positive (derivative receivables) and negative (derivative payables) fair values are provided in Note 18 to our audited consolidated financial statements for the financial year ended December 31, 2021.

December 31, 2021 compared to December 31, 2020. Our derivative financial instruments with contractual or underlying principal amounts increased by 4.8% to S$1,044,314 million as of December 31, 2021 as compared to S$996,152 million as of December 31, 2020.

December 31, 2020 compared to December 31, 2019. Our derivative financial instruments with contractual or underlying principal amounts increased by 1.2% to S$996,152 million as of December 31, 2020 as compared to S$984,036 million as of December 31, 2019.

Capital Management

Capital Policy

The key objective of our capital management policy is to maintain a strong capital position to support business growth and strategic investments, and to sustain investor, depositor, customer and market confidence. In line with this, we target a minimum credit rating of "A" and ensure that our capital adequacy ratios are comfortably above the regulatory minima, while balancing shareholders' desire for sustainable returns and high standards of prudence. We actively manage our capital composition with an optimal mix of capital instruments in order to keep our overall cost of capital low.

Dividends

Our dividend policy aims to provide shareholders with a sustainable and progressive dividend that is consistent with our long-term growth. The dividends are payable on a half-yearly basis. Given uncertain outlook surrounding the duration and severity of the COVID-19 outbreak, MAS has issued a guidance on July 29, 2020 for local banks to cap their dividend per share ("**DPS**") for financial year 2020 at 60% of financial year 2019's DPS and apply the scrip dividend scheme for dividends to be paid for financial year 2020. This is to bolster all local banks' resilience and capacity to support lending to businesses and individuals, as well as absorb economic shocks should a more adverse scenario materialize. On July 28, 2021, MAS lifted its dividend guidance.

Share Buyback

Shares purchased under the share buyback program are held as treasury shares. These are recorded as a deduction against share capital, and may be subsequently canceled, sold or used to meet delivery obligations under employee share schemes. Following MAS' guidance on April 13, 2020, we suspended the share buyback. Following MAS lifting its restrictions on March 17, 2021, we have resumed share buyback.

Capital Adequacy

We are required by the MAS to maintain minimum CET1 CAR, Tier 1 CAR and Total CAR of 6.5%, 8.0% and 10.0%, respectively, a capital conservation buffer of 2.5% at CET1 level, and a countercyclical buffer comprising CET1 capital of up to 2.5%. The table below shows the composition of our regulatory capital and capital adequacy ratios at the consolidated Group level. The capital adequacy ratios were determined in accordance with the requirements of MAS Notice 637, which is based on the Basel III framework. For further information on the Basel III Capital Standards, see "Supervision and Regulation – Singapore Banking Industry – The Regulatory Environment" and "Risk Factors – Risks Relating to Our Business – We may face pressure on our capital and liquidity positions due to Basel III or other relevant regulatory requirements, which could constrain our operations".

The capital adequacy ratio as of December 31, 2019, 2020 and 2021 are computed based on the MAS' fully-phased in Basel III rules.

	Year ended December 31,		
	2019	**2020**	**2021**
	S$	**S$**	**S$**
	(in millions, except for percentages)		
Tier 1 Capital:			
Ordinary shares	17,261	17,833	18,040
Disclosed reserves/others	21,452	23,021	25,782
Regulatory adjustments	(6,913)	(7,648)	(8,977)
Common Equity Tier 1 Capital	31,800	33,206	34,845
Additional Tier 1 capital	1,531	1,230	1,231
Regulatory adjustments	–	–	–
Tier 1 Capital	33,331	34,436	36,076
Tier 2 Capital	2,661	4,530	3,497
Regulatory adjustments	–	–	–
Total Eligible Capital	35,992	38,966	39,573
Risk Weighted Assets:			
Credit	183,439	191,525	197,164
Market	14,751	10,955	11,681
Operational	15,166	15,665	16,021
Total risk weighted assets	213,356	218,145	224,866
CET1 CAR[(1)]	14.9%	15.2%	15.5%
Tier 1 CAR	15.6%	15.8%	16.0%
Total CAR	16.8%	17.9%	17.6%

Note:

(1) CET1 CAR is the ratio of Common Equity Tier 1 Capital to total risk weighted assets.

Great Eastern Holdings and its insurance subsidiaries are not consolidated for the computation of the above capital adequacy ratios, in accordance with the MAS Notice 637 definition of insurance subsidiary. Capital investments in these insurance subsidiaries are deducted from our capital, and their assets are excluded from the computation of our risk-weighted assets.

Great Eastern Holdings' insurance subsidiaries are subject to the capital adequacy requirements of the respective jurisdictions in which they operate. Great Eastern Holdings disclosed that the capital adequacy ratios for its insurance subsidiaries in Singapore, Malaysia and Indonesia remained well above the regulatory minimum ratio under the risk based capital frameworks established by the MAS, Bank Negara, Malaysia and Otoritas Jasa Keuangan, Indonesia respectively.

Performance Measures

The following table sets forth the return on our equity and other performance measures for the periods indicated.

	Year ended December 31,		
	2019	**2020**	**2021**
	S$	**S$**	**S$**
	(in millions, except for percentages)		
Profit attributable to equity holders of OCBC Bank	4,869	3,586	4,858
Adjusted return on ordinary shareholders' equity[(1)(3)]	11.2%	7.6%	9.6%
Adjusted return on assets[(2)(3)]	1.23%	0.85%	1.13%
Earnings per share for the period basic (S$)[(4)]	1.12	0.80	1.07
Earnings per share for the period diluted (S$)[(4)]	1.12	0.80	1.07
Aggregate declared dividends on ordinary shares[(5)]	2,312	1,412	2,385
Declared dividends per ordinary share (Singapore cents)[(5)]	53.0	31.8	53.0
Net interest margin	1.77%	1.61%	1.54%

Notes:

(1) Calculated by dividing profit attributable to equity holders of OCBC Bank net of distributions on other equity instruments (2019: S$59 million, 2020: S$53 million, 2021: S$46 million) over adjusted average ordinary shareholders' equity.

(2) Calculated by dividing profit attributable to equity holders of OCBC Bank over adjusted average total assets.

(3) Presented as a non-GAAP measure.

(4) Calculated by dividing profit attributable to equity holders of OCBC Bank net of distributions on other equity instruments (2019: S$59 million, 2020: S$53 million, 2021: S$46 million) by the weighted average number of ordinary shares in issue for the financial year.

(5) Dividends as declared by OCBC Bank. Dividends are aggregate amounts in respect of each financial year, which include interim dividends and final dividends for such year.

MANAGEMENT

OCBC Bank is governed and supervised by its Board of Directors which, as of March 28, 2022, consists of 12 members. The full Board meets at least four times a year, but may meet more often depending on the circumstances. In addition, there are six Board Committees – the Executive, Nominating, Audit, Remuneration, Risk Management and Ethics and Conduct Committees. Our Constitution provides for the retirement of Directors by rotation and all appointments and re-appointments of Directors are required to be approved by the MAS.

Board of Directors

The following table sets forth the members of the Board of Directors of OCBC Bank as of the date of this Offering Memorandum:

Name	Position
Mr. Ooi Sang Kuang	Director
Ms. Chong Chuan Neo	Director
Mr. Chua Kim Chiu	Director
Dr. Andrew Khoo Cheng Hoe	Director
Mr. Koh Beng Seng	Director
Mr. Andrew Lee Kok Keng	Director
Dr. Lee Tih Shih	Director
Ms. Christina Ong	Director
Mr. Pramukti Surjaudaja	Director
Mr. Tan Ngiap Joo	Director
Ms. Tan Yen Yen	Director
Mr. Wee Joo Yeow	Director

Mr. Ooi Sang Kuang was first appointed to the Board on February 21, 2012 and last re-elected as a Director on May 18, 2020. He assumed the role of Board Chairman on September 1, 2014. He was Special Advisor in Bank Negara Malaysia until he retired on December 31, 2011. Prior to this, he was Deputy Governor and Member of the Board of Directors of Bank Negara Malaysia, from 2002 to 2010. Mr. Ooi is the Board Director of OCBC Wing Hang Bank Ltd, OCBC Management Services Pte Ltd and Target Value Fund, and a Member of Wawasan Education Foundation. Mr. Ooi holds a Bachelor of Economics with Honours from the University of Malaya and a Master of Arts (Development Finance) from Boston University, USA, is a Fellow Member of the Asian Institute of Chartered Bankers and Fellow of the Singapore Institute of Directors.

Ms. Chong Chuan Neo was appointed to the Board on February 18, 2022. She spent almost 30 years at Accenture where she held senior and practice leadership roles covering various industries and countries in Asia and was responsible for Accenture's Greater China business from 2015 to 2018. She was Chairman and Country Managing Director of Accenture Greater China and a Global Leadership Council member of Accenture when she retired in December 2018 to pursue her interests in technology start-ups and private equity. Ms. Chong is a Board Director of Aimazing Pte Ltd, Boost Holdings Sdn Bhd, Graduate Investment Pte Ltd, iShine Cloud Ltd, Lion Global Investors Ltd, MODA Solutions (BCR Shanghai), Raffles Medical Group Ltd and vKirirom Pte Ltd. She is also an Adviser of Digital Task Force of the National Volunteer and Philanthropy Center, a Member of the Executive Council of NUS Innovation & Enterprise, Operating Director of Partners Group and a Director of NUS GRIP. Ms. Chong holds a Bachelor of Science (Computer Science and Mathematics) from National University of Singapore and has participated in the Management and Executive Programs in Business and Leadership at IMD Lausanne, Switzerland.

Mr. Chua Kim Chiu was first appointed to the Board on September 20, 2017 and last re-elected as a Director on April 29, 2021. He is currently a Professor (Practice) in Accounting, National University of Singapore Business School. He had a long and distinguished career at PricewaterhouseCoopers ("**PwC**") Singapore where he served as a partner from 1990, headed the banking and capital markets group as well as the China desk, and was appointed a member of the firm's leadership team in 2005. He retired in 2012, but was retained as senior advisor for PwC Hong Kong until June 2016 when he left to join the National University of Singapore. He is a member of the Audit and Risk Committee of National University Health System Pte Ltd, ACRA Financial Reporting Technical Advisory Panel and the Singapore Intellectual Property Strategy 2030 Task Force of Institute of Valuers and Appraisers, Singapore. He also serves as a Board Director of Greenland (Singapore) Trust Management Pte Ltd and Mapletree North Asia Commercial Trust Management Ltd. Mr. Chua holds a Bachelor of Commerce and Administration with Honours from Victoria University of Wellington, New Zealand, and a Bachelor of Commerce from Nanyang Technological University (formerly Nanyang University), Singapore. He is also a Fellow Chartered Accountant of Singapore, Fellow of Chartered Accountants Australia and New Zealand, and Fellow Chartered Certified Accountant, United Kingdom.

Dr. Andrew Khoo Cheng Hoe was appointed to the Board on March 8, 2021 and elected as a Director on April 29, 2021. He is currently a Board and Audit Committee member of the National Environment Agency of Singapore, a Director of Stroke Support Station and also serves on the board of OCBC Wing Hang Bank Ltd. Prior to this, he had spent 22 years in Monetary Authority of Singapore (MAS) holding several key positions, including oversight responsibilities for prudential policy, capital markets supervision, investment of official foreign reserves, domestic money market management, corporate functions, MAS Academy, as well as a 3-year stint in the Bank for International Settlements. He was Deputy Managing Director (Corporate Development) when he retired from MAS in 2019. He had also served as a board and council member of civic establishments in industry. Dr. Khoo graduated with Bachelor of Economics (Honours) from Monash University. He also holds a Doctor of Philosophy from University of Melbourne, and is a Member of CPA Australia.

Mr. Koh Beng Seng was appointed to the Board on October 1, 2019 and elected as a Director on May 18, 2020. He has extensive experience in the financial services sector and is presently the Chief Executive Officer of Octagon Advisors Pte Ltd and serves as Board Chairman of Great Eastern Holdings Ltd and its principal insurance subsidiaries Great Eastern General Insurance Ltd and The Great Eastern Life Assurance Company Ltd. He served 24 years with the Monetary Authority of Singapore (MAS) where his last appointment was Deputy Managing Director, Banking and Financial Institution Group. After leaving MAS in 1998, he held key positions in many notable organizations. He is also a Board Director of Bank of China (Hong Kong) Ltd and BOC Hong Kong (Holdings) Ltd, and a Member of the Expert Committee of China Banking Association in China, Lien Ying Chow Legacy Fellowship Council and International Advisory Board of Lingnan (University) College, Sun Yat-sen University in China. Mr. Koh holds a Bachelor of Commerce with First Class Honours from Nanyang Technological University (formerly Nanyang University), Singapore and a Master of Business Administration from Columbia University, USA.

Mr. Andrew Lee Kok Keng was appointed to the Board on February 18, 2022. He had more than 30 years of banking experience in Standard Chartered Bank and OCBC Bank where he held several senior level executive positions largely in consumer banking with responsibilities for strategy, execution and performance. He joined OCBC Bank in 1999, served in various senior capacities, and was Senior Executive Vice President and Head Global Consumer Financial Services when he stepped down from OCBC Bank in 2010. He continued to serve the OCBC Group, first as Chairman of BCS Information System and then with Great Eastern Life Assurance as Group Chief Marketing & Distribution Officer, before retiring in 2017. He is currently a Board Director of OCBC Al-Amin Bank Berhad and Nordic Group Ltd. Mr. Lee holds a Bachelor of Arts and Bachelor of Social Science (Honours in Economic) from the University of Singapore.

Dr. Lee Tih Shih was first appointed to the Board on April 4, 2003 and last re-elected as a Director on May 18, 2020. He is presently an Associate Professor at the Duke-NUS Medical School in Singapore. He has previously served in senior positions at both OCBC Bank from 1993 to 1998 and the Monetary Authority of Singapore from 1998 to 2000. He is a Board Director of Lee Foundation, Selat (Pte) Ltd and Singapore Investments (Pte) Ltd. Dr. Lee graduated with M.D. and Ph.D. degrees from Yale University, New Haven. He also holds a Master of Business Administration with Distinction from Imperial College, London. Dr. Lee is a Fellow at the Royal College of Physicians of Edinburgh.

Ms. Christina Ong was first appointed to the Board on February 15, 2016 and last re-elected as a Director on April 29, 2019. She is presently the Senior Partner and Chairman of Allen & Gledhill LLP as well as the Co-Head of its Financial Services Department. Ms. Ong is a lawyer and has been in Allen & Gledhill since 1987. She provides corporate and corporate regulatory and compliance advice, particularly to listed companies. Her areas of practice include banking, securities offerings, securities regulations, investment funds, capital markets, and corporate finance. She serves as a Board Director of several companies, including Allen & Gledhill Regulatory & Compliance Pte Ltd, Eastern Development Pte Ltd, Eastern Development Holdings Pte Ltd, Epimetheus Ltd, Hongkong Land Holdings Ltd, SIA Engineering Company Ltd and Singapore Telecommunications Ltd. She is also a member of the Supervisory Committee of ABF Singapore Bond Index Fund, SGX Catalist Advisory Panel, Civil Aviation Authority of Singapore, MAS Corporate Governance Advisory Committee, and a trustee of The Stephen A Schwarzman Scholars Trust. Ms. Ong holds a Bachelor of Laws (Second Upper Class Honours) from the University of Singapore, and is a Member of the Law Society of Singapore and International Bar Association.

Mr. Pramukti Surjaudaja was first appointed to the Board on June 1, 2005 and last re-elected as a Director on April 29, 2021. He has been with PT Bank OCBC NISP Tbk for 34 years, holding key positions, including President Director, and is presently Board President Commissioner of the bank. He also serves as the Deputy Chairman of the Board of Supervisors of the IOA Association, a Board Commissioner of PT Biolaborindo Makmur Sejahtera, and a Member of the Parahyangan Catholic University's Board of Advisors, Karya Salemba Empat Foundation's Board of Trustees and San Francisco State University, Lam Family College of Business, Dean's Development Council. Mr. Pramukti holds a Bachelor of Science (Finance and Banking) from San Francisco State University, a Master of Business Administration (Banking) from Golden Gate University, San Francisco, and has participated in Special Programs in International Relations at the International University of Japan.

Mr. Tan Ngiap Joo was first appointed to the Board on September 2, 2013 and last re-elected as a Director on April 29, 2021. He had a long career of 37 years as a banker. He spent 20 years in Citibank N.A. serving in various capacities, including Senior Risk Manager of Citibank Australia and postings overseas prior to joining the OCBC Group in August 1990, where he held senior positions over the years, including Chief Executive of OCBC's Australian operations, and Head, Group Business Banking and was appointed Deputy President in December 2001. He retired in December 2007. He is presently Chairman of the Investment Committee of MASCOT Private Trust, Board Chairman of OCBC Bank (Malaysia) Berhad and OCBC Al-Amin Bank Berhad. He also serves on the board of OCBC Management Services Pte Ltd and Gemstone Asset Holdings Pte Ltd. Mr. Tan holds a Bachelor of Arts degree from the University of Western Australia.

Ms. Tan Yen Yen was appointed to the Board on January 1, 2020 and elected as a Director on May 18, 2020. Her past experiences included IT and IT-related positions in SAS Institute Inc, Oracle Corporation and Hewlett-Packard Singapore, and she has played an active role in Singapore's infocomm industry. She was the President (Asia Pacific) of Vodafone Enterprise Singapore Pte Ltd until she left in April 2020. Ms. Tan is presently a Board Director of ams OSRAM AG, Barry Callebaut AG, Galboss Asia Pte Ltd, In.Corp Global Pte Ltd, Jardine Cycle & Carriage Ltd, Singapore Press Holdings Ltd, The Y Journey Pte Ltd and XY Maxwell Pte Ltd. She also serves as Chairman of the Singapore Science Centre, and SpexBusiness Network Advisory Board Committee of Ministry of Culture, Community and Youth (High Performance Sports), is a Member of National University of Singapore (School of Computing)'s Board of Advisors. Ms. Tan holds a Bachelor of Science (Computer Science) from the National University of Singapore and an Executive MBA from Helsinki School of Economics Executive Education.

Mr. Wee Joo Yeow was first appointed to the Board on January 2, 2014 and last re-elected as a Director on May 18, 2020. He has more than 39 years of corporate banking experience. He was Managing Director & Head of Corporate Banking Singapore with United Overseas Bank Ltd until his retirement in June 2013. Prior to that, he was Executive Vice President & Head of Corporate Banking with Overseas Union Bank Ltd, and Head Credit & Marketing with First National Bank of Chicago (Singapore). He is presently a Board Director of Frasers Property Ltd, Great Eastern Holdings Ltd, Thai Beverage Public Company Ltd, WJY Holdings Pte Ltd and WTT Investments Pte Ltd. Mr. Wee holds a Bachelor of Business Administration (Honours) from the University of Singapore and a Master of Business Administration from New York University, USA.

Board Committees

The composition of our Board Committees satisfies the independence requirements of the Banking (Corporate Governance) Regulations 2005, Banking (Corporate Governance) (Amendment) Regulations 2010, corporate governance guidelines issued by the MAS and the Code of Corporate Governance 2018 (the "**2018 Code**") adopted by the SGX-ST.

Executive Committee

The Executive Committee comprises Mr. Ooi Sang Kuang (Chairman), Mr. Koh Beng Seng, Dr. Lee Tih Shih, Mr. Tan Ngiap Joo and Mr. Wee Joo Yeow. The Executive Committee has written terms of reference that describe the responsibilities of its members.

The Executive Committee oversees – within the parameters delegated by the Board – the management of the business and affairs of OCBC Bank and the OCBC Group. It reviews our policies, principles, strategies, values, objectives and performance targets. These include investment and divestment policies. It also endorses such other matters and initiates such special reviews and actions as are appropriate for the prudent management of OCBC Bank.

Nominating Committee

The Nominating Committee comprises Mr. Wee Joo Yeow (Chairman), Mr. Ooi Sang Kuang, Ms. Christina Ong, Mr. Pramukti Surjaudaja and Mr. Tan Ngiap Joo. The Nominating Committee has written terms of reference that describe the responsibilities of its members.

The Nominating Committee plays a vital role in reinforcing the principles of transparency, accountability and meritocracy at OCBC Bank. It plans for board succession and ensures that only the most competent individuals capable of contributing to the success of the organization are appointed. This includes reviewing all nominations for the appointment or reappointment, election or re-election as well as resignation or retirement of our Directors and members of the Executive Committee, Remuneration Committee, Audit Committee, Risk Management Committee and Ethics and Conduct Committee. The Nominating Committee is also responsible for approving the appointments of directors to boards of key subsidiaries to ensure governance standards are aligned with OCBC Bank's. On an annual basis, the Nominating Committee is charged with determining whether or not a Director is independent, capable of carrying out the relevant duties and qualified to remain in office. In addition, it reviews nominations for the appointment as well as dismissal, resignation or retirement of senior management, including the Chief Executive Officer (CEO), Chief Financial Officer, Chief Risk Officer and Chief Operating Officer. It makes recommendations to the Board on relevant appointments, including the compensation package for offer of employment, promotion and cessation of employment. The Nominating Committee reviews obligations arising in the event of the termination of the contracts of service of executive Directors and senior management, to ensure such contracts contain fair and reasonable termination clauses.

The Nominating Committee establishes annually the profile required of Board members, having regard to the competencies and skills required, and makes recommendations to the Board on the appointment of new Directors, when necessary. When the need for a new Director is identified, the Nominating Committee will prepare a shortlist of candidates with the appropriate profile and qualities for nomination. The Nominating Committee may engage external search consultants to search for the Director. The Board reviews the recommendation of the Nominating Committee and appoints the new Director, subject to the approval of MAS. In accordance with our Constitution, the new Director will hold office until the next AGM and if eligible, may then stand for re-election.

Audit Committee

The Audit Committee comprises Mr. Chua Kim Chiu (Chairman), Mr. Ooi Sang Kuang, Ms. Chong Chuan Neo, Dr. Andrew Khoo, Mr. Tan Ngiap Joo and Ms. Tan Yen Yen. The majority of members, including the Chairman, have recent and relevant accounting or related financial management expertise or experience.

The Audit Committee performs the functions specified in the Companies Act 1967 of Singapore, (the "**Companies Act**"), the 2018 Code, the Listing Manual of the SGX-ST and MAS' corporate governance regulations and guidelines.

The Audit Committee has written terms of reference that describe the responsibilities of its members. The Board approves the terms of reference of the Audit Committee. The Audit Committee may meet at any time and no fewer than four times a year. It has full access to and co-operation from management, and has the discretion to invite any Director and executive officer to attend its meetings. It has explicit authority to investigate any matter within its terms of reference.

In addition to the review of the Group Financial Statements, which includes reviewing the assurances provided by the CEO and Chief Financial Officer on the financial records and statements, the Audit Committee reviews and evaluates, with the external and internal auditors, the adequacy and effectiveness of the system of internal controls including financial, operational, compliance and information technology controls, and risk management policies and systems. It reviews the scope and results of the audits, the cost-effectiveness of the audits and the independence and objectivity of the external and internal auditors. When the external auditor provides non-audit services to us, the Audit Committee keeps the nature, extent and costs of such services under review. This is to balance the objectivity of the external auditor against its ability to provide value-for-money services. The Audit Committee members keep abreast of changes to accounting standards and development of related significant accounting policies which have a direct impact on financial statements and Group accounting policies through briefings provided by internal or external subject matter experts. The Audit Committee also reviews significant financial reporting issues and judgments to ensure the integrity of the financial statements. The Audit Committee reviews announcements relating to financial performance.

The Audit Committee is also responsible for the review of our whistleblowing policy as well as any concerns, including anonymous complaints, which staff may in confidence raise about possible improprieties in matters of financial reporting or other matters. The whistleblowing policy and procedures for raising such concerns are disclosed and clearly communicated to employees. The Audit Committee will ensure such concerns are independently investigated and followed up on. If the case escalated is found to be substantiated, appropriate action will be taken and the Audit Committee updated regularly on its status. The whistleblower's identity is kept confidential and his/her interests will be safeguarded at all times, including a right to appeal to the Audit Committee if reprisals are taken against him/her.

The Audit Committee meets at least once a year with the external auditor and internal auditor in separate sessions and without the presence of management, to consider any matters which may be raised privately. In addition, the Chairman of the Audit Committee meets the head of internal audit on a regular basis to discuss the work undertaken, key findings and any other significant matters arising from the OCBC Group's operations. Formal reports are sent to the Audit Committee on a regular basis. The Audit Committee has received the requisite disclosures from the current external auditor evidencing its independence. It is satisfied that the financial, professional and business relationships between the OCBC Group and the external auditor will not prejudice the independence and objectivity of the external auditor. The aggregate amount of fees paid to the external auditor for financial year 2021, and the breakdown of total fees paid for audit and non-audit services, are shown in the Notes to the Financial Statements.

The Audit Committee adopts, where appropriate, relevant best practices set out in the Guidebook for Audit Committees in Singapore.

The Audit Committee approves the Internal Audit Charter of internal audit (Group Audit) and reviews the adequacy and effectiveness of the internal audit function, at least annually. In line with leading practice, Group Audit's mission statement and charter requires it to provide independent and reasonable, but not absolute, assurance that the Group's governance, risk management and internal control processes – as designed and implemented by senior management – are adequate and effective. Group Audit reports on the adequacy and effectiveness of the system of internal controls to the Audit Committee and management, but does not form any part of the system of internal controls. Group Audit meets or exceeds the International Standards for the Professional Practice of Internal Auditing of The Institute of Internal Auditors.

Group Audit adopts a risk-based approach where audit work is prioritized and scoped according to an assessment of current and emerging risks, including financial, operational, technology, cyber, compliance, sustainability and strategic risks. The work undertaken by Group Audit involves the assessment of the adequacy and effectiveness of the OCBC Group's governance, risk management and internal control processes in meeting its strategic objectives and operating within the risk appetite established. In addition, Group Audit provides an independent assessment of the OCBC Group's credit portfolio quality and credit risk management process. Without assuming management responsibility, Group Audit may provide consultative services to line management on certain business initiatives as well as system developments and enhancements where the objective is to add value and improve governance, risk management and controls.

The Audit Committee is responsible for the adequacy and independence of the internal audit function, its resources, and its standing and effectiveness. The Audit Committee ensures that processes are in place for recommendations raised in internal audit reports to be dealt with in a timely manner and for outstanding exceptions or recommendations to be closely monitored. Group Audit is staffed with individuals with the relevant qualifications and experience. It reports functionally to the Audit Committee and administratively to the CEO, has unfettered access to the Audit Committee, Board and senior management, and has the right to seek information and explanations. The division is organized into departments that are aligned with the structure of the OCBC Group. The Audit Committee approves the appointment, resignation, dismissal, succession and remuneration of the Head of Group Audit and reviews the reasons for the resignation or dismissal of Head of Group Audit.

Remuneration Committee

The Remuneration Committee comprises Mr. Tan Ngiap Joo (Chairman), Mr. Ooi Sang Kuang, Mr. Koh Beng Seng, Ms. Christina Ong, Ms. Tan Yen Yen and Mr. Wee Joo Yeow. All members are well-versed in executive compensation matters, given their extensive experience in senior corporate positions and major appointments. The Remuneration Committee has written terms of reference that describe the responsibilities of its members.

The Remuneration Committee recommends to the Board a framework for determining the remuneration of executive officers, and reviews the remuneration practices to ensure that they are aligned with the approved framework. It is empowered to review the human resource management policies and the policies governing the compensation of executive officers of OCBC Bank and our subsidiaries, as well as the remuneration of senior executives and Directors. In addition, the Remuneration Committee administers the various employee share ownership schemes. In its deliberations, the Remuneration Committee takes into account remuneration principles, practices and standards that may be specified by MAS from time to time.

Risk Management Committee

The Risk Management Committee, which supports the Board in performing its risk oversight responsibilities, comprises Mr. Koh Beng Seng (Chairman), Mr. Ooi Sang Kuang, Mr. Chua Kim Chiu, Mr. Andrew Lee and Mr. Wee Joo Yeow. Members of the Risk Management Committee have the relevant technical financial expertise in risk disciplines or businesses to discharge their responsibilities. The Risk Management Committee has written terms of reference that describe the responsibilities of its members.

The Risk Management Committee reviews the overall risk management philosophy in line with the overall corporate strategy as set and approved by the Board. It oversees the establishment and operation of an independent risk management system for identifying, measuring, monitoring, controlling and reporting risk on an enterprise-wide basis. This includes ensuring the adequacy of risk management practices for material risks such as credit, market, liquidity, operational, technology, cybersecurity, conduct, money laundering and terrorism financing, legal, regulatory, reputational, strategic and environmental, social and governance (ESG) risks. The Committee reviews the scope, effectiveness and objectivity of the Group Risk Management Division. It ensures that the risk management function has appropriate independent reporting lines and is adequately resourced with experienced and qualified employees to monitor risk by the various risk categories. It approves the risk management frameworks, internal control systems and major policies, as well as reviews the risk appetite statement, risk disclosure policy and risk management principles for the approval of the Board. It also reviews the risk profile, risk tolerance level and risk strategy of the Bank for effective risk management, as well as the risk reports to monitor and control risk exposures. The Chief Risk Officer has direct reporting lines to the Risk Management Committee and CEO.

Ethics and Conduct Committee

The Ethics and Conduct Committee supports the Board in overseeing efforts to build and maintain a strong and responsible organizational culture firmly founded on OCBC Bank's LIFRR core values and the spirit of long-term thinking. The Ethics and Conduct Committee comprises Ms. Christina Ong (Chairman), Mr. Ooi Sang Kuang, Dr. Andrew Khoo, Dr. Lee Tih Shih and Mr. Pramukti Surjaudaja. The Ethics and Conduct Committee has written terms of reference that describe the responsibilities of its members.

The Ethics and Conduct Committee reviews and assesses the state, adequacy, effectiveness and relevancy of OCBC Bank's culture and conduct programs and initiatives. Such review and assessment take into account regulatory policies, guidelines and expectations and desired outcomes. The Ethics and Conduct Committee also reviews communications to stakeholders on core values, desired behaviors, ethics, culture and conduct.

Remuneration Policy

Directors' Remuneration

The Remuneration Committee recommends the remuneration for our executive Directors and non-executive Directors. The remuneration for non-executive Directors is subject to shareholders' approval at the AGM.

Compensation for Non-Executive Directors

The remuneration for non-executive Directors is intended to attract capable individuals to our Board, as well as retain and motivate them in their roles as non-executive Directors. It aligns their interests with those of shareholders, is competitive in the region and recognizes individual contributions.

The Remuneration Committee has considered market practices for non-executive director compensation. On its recommendation, the Board has decided to adopt the following fee structure to fix the fee for each non-executive Director of OCBC Bank:

(a) Board chairman's fee of S$1,400,000;

(b) Retainer fee of S$45,000;

(c) Committee chairperson's fee of S$70,000 for Audit, Risk Management and Executive Committees, and S$40,000 for Nominating, Remuneration, and Ethics and Conduct Committees;

(d) Committee member's fee of S$40,000 for Audit, Risk Management and Executive Committees, and S$20,000 for Nominating, Remuneration, and Ethics and Conduct Committees (Committee chairpersons are not awarded these fees);

(e) Lead independent director's fee of S$70,000; and

(f) Attendance fee of S$3,000 per meeting.

At the annual general meeting held on April 29, 2021, shareholders had approved the grant of 6,000 remuneration shares to each non-executive Director. The remuneration shares align the interests of non-executive Directors with the interests of shareholders. At the recommendation of the Remuneration Committee, the Board has decided to continue with the granting of 6,000 new ordinary shares to each non-executive Director. Any non-executive Director who has served on the Board for less than a full financial year will be awarded shares on a pro-rated basis, depending on the length of service.

Compensation for Executive Directors

The compensation for executive Director is formulated and reviewed annually by the Remuneration Committee to ensure that it is market-competitive and that the rewards are commensurate with the contributions made. The compensation package comprises basic salary, benefits-in-kind, performance bonus, share awards and compensation in the event of early termination where service contracts are applicable. Performance bonus relate directly to the financial performance of the Group and the contributions of the executive Director. The guidelines on the granting of share awards to the executive Director are similar to those for the executives of the Bank.

Remuneration of Directors' and CEO's Immediate Family

Mr. Pramukti Surjaudaja, a Director of the Bank, has a sister, Ms. Parwati Surjaudaja, who is chief executive of the Bank's subsidiary, PT Bank OCBC NISP Tbk. Her personal remuneration in 2021 exceeds S$100,000. Apart from Ms. Parwati Surjaudaja, none of the Group's employees was an immediate family member of a Director or the CEO in 2021.

Remuneration of Directors and Chief Executive Officer in 2021

The below table shows our Directors' and CEO's remuneration in 2021:

Director	Fees	Shares[1]	Other Benefits[2]	Total
		S$		
Ooi Sang Kuang	1,611,698	70,200	45,901	1,727,799
Chua Kim Chiu	206,000	70,200	4,237	280,437
Andrew Khoo	113,014	57,506	–	170,520
Koh Beng Seng	243,110	70,200	–	313,310
Lee Tih Shih	141,000	70,200	4,237	215,437
Christina Ong	165,302	70,200	4,237	239,739
Pramukti Surjaudaja	115,000	70,200	–	185,200
Tan Ngiap Joo	245,000	70,200	4,237	319,437
Tan Yen Yen	147,000	70,200	4,317	221,517
Wee Joo Yeow	248,000	70,200	4,237	322,437
	3,235,124	689,306	71,403	3,995,833

Group CEO	Salary	Bonus	Deferred Shares	Other Benefits[2]	Total
			S$		
Samuel N. Tsien[3]	285,000	1,282,800	855,200	218,609	2,641,609
Helen Wong[4]	1,128,751	2,937,000	1,958,000	1,607,584[5]	7,631,335

Notes:

(1) Value of remuneration shares was estimated based on closing price of ordinary shares on March 15, 2022, i.e. S$11.70 per share.

(2) Non-cash component such as club and car benefits for Mr. Ooi Sang Kuang, Mr. Samuel N. Tsien and Ms. Helen Wong, and carparks for Directors.

(3) Comprises compensation under his employment contract as Group CEO for the period January 1, 2021 to April 14, 2021.

(4) Comprises compensation under her employment contract as Group CEO commencing April 15, 2021, as well as compensation under her employment contract as Deputy President from January 1, 2021 to April 14, 2021.

(5) Includes the value of shares and cash awarded for loss of compensation from previous employment.

Senior Management

The following table sets forth the senior management of OCBC Bank as of the date of this Offering Memorandum:

Name	Position
Ms. Helen Wong	Group Chief Executive Officer
Mr. Darren Tan Siew Peng	Chief Financial Officer
Mr. Vincent Choo Nyen Fui	Chief Risk Officer and Head, Group Risk Management
Mr. Lim Khiang Tong	Group Chief Operating Officer
Mr. Kenneth Lai	Head, Global Treasury
Mr. Tan Teck Long	Head, Global Wholesale Banking
Mr. Sunny Quek	Head, Global Consumer Financial Services
Mr. Tan Wing Ming	Head, Greater China
Mr. Ong Eng Bin	CEO, OCBC Malaysia
Ms. Parwati Surjaudaja	President Director and CEO, Bank OCBC NISP
Ms. Ivy Au-Yeung	CEO, OCBC Wing Hang Bank
Mr. Wang Ke	CEO, OCBC Wing Hang Bank (China) Limited
Mr. Linus Goh Ti Liang	Head, Global Commercial Banking
Ms. Elaine Lam	Head, Global Corporate Banking
Mr. Bahren Shaari	CEO, Bank of Singapore
Mr. Gan Kok Kim	Head, Global Investment Banking
Mr. Tan Chor Sen	Head, Global Enterprise Banking – International
Mr. Melvyn Low	Head, Global Transaction Banking
Mr. Jason Ho Poh Wah(1)	Head, Group Human Resources
Ms. Goh Chin Yee	Head, Group Audit
Ms. Loretta Yuen	Head, Group Legal and Regulatory Compliance
Ms. Koh Ching Ching	Head, Group Brand and Communications
Mr. Praveen Raina	Head, Group Operations and Technology
Ms. Sylvia Ng	Head, Strategic Planning

Note:

(1) On March 8, 2022, OCBC bank announced that Mr. Jason Ho would be retiring on June 25, 2022.

Ms. Helen Wong was appointed Group Chief Executive Officer of OCBC Bank on April 15, 2021. She is also Chairman of OCBC Wing Hang Bank (China) Limited, a Board Commissioner of PT Bank OCBC NISP Tbk and a Director of Bank of Singapore, Great Eastern Holdings Limited, OCBC Bank (Malaysia) Berhad, OCBC Wing Hang Bank Limited and the Dr. Goh Keng Swee Scholarship Fund. Ms. Wong is currently a council member of the ABS and the Institute of Banking & Finance ("**IBF**") Singapore. She also serves as a member of the MAS Financial Centre Advisory Panel, MAS Payments Council and MAS Financial Sector Tripartite Committee. Ms. Wong joined

OCBC Bank in February 2020 as Deputy President and Head of Global Wholesale Banking. She has more than 37 years of banking experience, having started out as a Management Trainee in OCBC Bank and was its first China Desk Manager, based at the Hong Kong Branch. She has vast experience in Greater China, covering a wide range of roles in capital markets, syndicated finance and corporate banking. Before returning to OCBC Bank, Ms. Wong spent 27 years at HSBC, where her last role was as its Chief Executive for Greater China, which she was appointed to in 2015. She became the President and CEO of HSBC China based in Shanghai in 2010, and was promoted to be Group General Manager in 2011 to recognize her responsibility for the business operations and strategic expansion in China. She also held non-executive directorships at Baoshan Iron & Steel from 2012 to 2015, and at Bank of Communications from 2016 to 2019. Ms. Wong holds a Bachelor of Social Sciences from the University of Hong Kong.

Mr. Darren Tan Siew Peng was appointed Executive Vice President and Chief Financial Officer ("**CFO**") in December 2011. As CFO, he oversees financial, regulatory and management accounting and advisory, treasury financial control and advisory, corporate treasury, funding and capital management, corporate planning and development and investor relations. He joined OCBC Bank in March 2007 as Head of Asset Liability Management in Global Treasury and assumed the role of Deputy CFO in May 2011. Prior to joining OCBC, Mr. Tan worked for 13 years in the Government of Singapore Investment Corporation ("**GIC**") with his last position in GIC as Head of Money Markets. He serves as a board member of the Inland Revenue Authority of Singapore. He is also a council member of the Institute of Singapore Chartered Accountants. Mr. Tan graduated with First Class Honours in Accountancy from Nanyang Technological University and is a Chartered Financial Analyst and a Fellow Chartered Accountant of Singapore.

Mr. Vincent Choo Nyen Fui was appointed Head of Group Risk Management on August 1, 2014. As Chief Risk Officer, he covers the full spectrum of risk, including Credit, Technology and Information Security, Liquidity, Market and Operational Risk Management. He reports jointly to both Group CEO and the Board Risk Management Committee of OCBC Bank. Mr. Choo joined OCBC Bank from Deutsche Bank AG where his last appointment was Managing Director and Chief Risk Officer for Asia Pacific. He is a Director of Bank of Ningbo Ltd and a member of Management Board of NUS Risk Management Institute. Mr. holds a Master of Arts in Economics from University of Akron, United States.

Mr. Lim Khiang Tong was appointed Group Chief Operating Officer ("**GCOO**") in June 2021. As GCOO, he drives transformation efforts and alignment of operational capabilities as well as data and design competencies across the Group. He has oversight over operations and technology, operational excellence, customer experience, data and analytics and property management functions. Mr. Lim joined the Bank's IT Management team in 2000. He was appointed Head of IT management in January 2002. He was promoted to Executive Vice President and Head of Group Information Technology in December 2007. In May 2010, he assumed the role of Head of Group Operations and Technology. Mr. Lim has over 30 years of management experience in strategic technology development, information technology, process-reengineering, project management and banking operations. In 2020, Mr. Lim was also named Digital Transformation Leader in Singapore by the International Data Corporation, a global market intelligence firm in information technology, in recognition of his role in accelerating the Bank's digital transformation efforts. He holds a Bachelor of Science in Computer Science and Economics from the National University of Singapore and is a IBF Distinguished Fellow (Technology).

Mr. Kenneth Lai was appointed Head of Global Treasury in October 2020. He has global responsibility for OCBC Bank's financial market businesses and asset liability management in Singapore, Malaysia, Indonesia, Hong Kong, China and seven other overseas centers. Mr. Lai joined OCBC Bank in February 2012 as Head of Global Treasury International. Since 2015, he has also been responsible for the Bank's Asset and Liability Management globally. He was appointed Executive Vice President in May 2019. Mr. Lai has over 31 years of experience in different functions across trading, sales and asset liability management and across different countries in

Asia. Currently, he serves on the boards of Bank of Singapore, OCBC Securities, and Clearing and Payment Services Pte Ltd. Mr. Lai also serves on Great Eastern Group's Asset/Liability Committee and Investment Committee. He is a member of the Singapore Foreign Exchange Market Committee, and member of the IBF's Financial Markets Regulatory Practices Examination Board, Standards Committee and Chairman of the Capital and Financial Markets Workgroup. Mr. Lai also serves as a member on the ABS Standing Committee on Financial Market and Benchmark Co Oversight Committee. Before joining OCBC Bank, he was the Head of Financial Markets at Ta Chong Bank in Taiwan and has held several key appointments with ABN AMRO bank. He started his career at Bankers Trust Company. Mr. Lai holds a Bachelor of Science in Finance from Virginia Polytechnic Institute and State University and is an IBF Fellow.

Mr. Tan Teck Long was appointed Executive Vice President and Head of Global Wholesale Banking on March 15, 2022. As the Head of Global Wholesale Banking, he has global responsibility for all banking relationships with small- and medium-sized enterprises, large corporates and financial institutions; two product groups – cash management and trade under the transaction banking business; as well as the investment banking business. Mr. Tan has more than 28 years of banking experience overseeing Corporate Banking, Investment Banking and Risk Management. He joined OCBC Bank from DBS Bank, where his last appointment was Chief Risk Officer. During his tenure at DBS Bank, he had also served in a number of senior roles including Group Head of DBS' corporate banking business, Head of Institutional Banking Group (China), Group Head of Special Assets Management and Group Head of Corporate Real Estate Strategy and Administration. Mr. Tan is a Chartered Financial Analyst charter holder and a Fellow Chartered Accountant of Singapore. He holds a Master of Business Administration from University of Manchester and a Bachelor of Accountancy from the National University of Singapore.

Mr. Sunny Quek was appointed acting Head of Global Consumer Financial Services on October 1, 2021 and has been the Head of Consumer Financial Services Singapore from November 2019. He joined OCBC Bank in December 2012 as Head of Branch and Premier Banking. In the six years, Mr. Quek was responsible for formulating and executing the sales and distribution strategy for the consumer banking branch network in Singapore, and supporting the OCBC Premier Banking network in the region. He made significant contributions to the transformation and growth of the retail banking business and led the OCBC Premier Banking business to become a leader in the affluent segment space. In 2018, he spearheaded the transformation of the OCBC Premier Private Client segment to launch an Accredited Investor platform that offers bespoke wealth solutions to high net worth individuals in Singapore and the region. Mr. Quek started his banking career at Tokai Bank in 1997 before joining Citibank Singapore in 2000. He has more than 23 years of experience spanning branch management, treasury sales and trading. Mr. Quek currently serves as a board member of OCBC Securities Private Limited and Network for Electronic Transfers (Singapore). He graduated with a Bachelor of Science in Economics from the National University of Singapore.

Mr. Tan Wing Ming was appointed acting Head of Greater China on October 1, 2021, overseeing OCBC Group's Greater China business, including the formulation and implementation of the Group's Greater China strategy. Mr. Tan was previously Regional General Manager of North East Asia and the Chief Executive of OCBC Bank Hong Kong branch since September 2009. In this role, he assumed oversight of the bank's branches in Hong Kong, Japan, Korea and Taiwan. In November 2016, he was promoted to Executive Vice President. Mr. Tan joined OCBC Bank in January 2005 as Senior Vice President and Country Head of OCBC Bank's operations in China. Following the local incorporation of OCBC Bank in China in July 2007, he was appointed Director and President of OCBC Bank (China) Limited until his current role. Mr. Tan had worked for major American and European investment and commercial banks in Singapore for 10 years. He then started and managed his own private business in China for 11 years before joining OCBC Bank. Mr. Tan holds a Bachelor of Arts (Economics) with Honours from Georgetown University and a Master of Business Administration (Finance) from the University of Chicago.

Mr. Ong Eng Bin was appointed Chief Executive Officer of OCBC Malaysia in August 2014 and currently oversees the OCBC Group's Malaysian franchise. Prior to this appointment, he was its Head of Business Banking, a role he assumed in 2012 with responsibilities covering corporate and commercial, emerging business and transaction banking. He joined the bank as a management trainee in 1988 and was appointed Head of Corporate Banking and Large Corporates in 2000. Mr. Ong holds a Bachelor of Accounting and Finance from the University of Manchester.

Ms. Parwati Surjaudaja was appointed President Director and CEO of Bank OCBC NISP in December 2008 and was last re-elected as President Director in 2020. Prior to this appointment, she joined Bank OCBC NISP as a Director in 1990 and served as a Deputy President Director from 1997. Ms. Surjaudaja, who has more than 30 years of experience in the banking industry, has led the Bank to be among the 10 biggest banks in Indonesia with the highest credit rating. She has also pioneered ESG initiatives in the region through the deployment of green and gender financing. She is a G20 Empower Advocate for gender equality, and was named Forbes Asia's Top 50 Asia's Power Businesswomen in 2016 and Fortune Indonesia's Businessperson of the Year in 2021. Ms. Surjaudaja had previous corporate experience with SGV Utomo-Arthur Andersen and holds a Master of Business Administration (Accounting) and a Bachelor of Science Cum Laude (Accounting and Finance) from San Francisco State University.

Ms. Ivy Au-Yeung was appointed Chief Executive Officer of OCBC Wing Hang Bank on May 20, 2021. She joined OCBC Wing Hang Bank as Deputy Chief Executive in December 2019, overseeing the Retail Banking Group of the Bank in Hong Kong, Banco OCBC Weng Hang, S.A in Macau and OCBC Wing Hang Credit Limited. My Au-Yeung has had more than 30 years of various positions in global banks in corporate and commercial banking covering relationship management, product management as well as credit and sales. Prior to joining OCBC Wing Hang, she was the Chief Executive Officer of the Hong Kong Branch of an Australian bank. Ms. Au-Yeung holds a Master of Business Administration degree from University of Sydney, Australia, a Bachelor of Social Science degree from University of Hong Kong, and is a Fellow of CFA Australia.

Mr. Wang Ke was appointed CEO of OCBC Wing Hang Bank (China) on December 9, 2019. He joined OCBC Wing Hang Bank (China) Limited previously the OCBC Bank (China) Limited as Chief Information Officer and Head of IT Department in 2012, and assumed the expanded role as Head of Operations and Technology afterwards. Prior to his current role, Mr. Wang was the Regional General Manager of the Pearl River Delta region and was appointed as the Deputy President of OCBC Wing Hang China in March 2015. Mr. Wang is conversant with foreign companies' business models in China and has intimate knowledge of the local market and regulations. As an indispensable member of bank's top management, he participated in the strategy formulating, led the implementation of many strategic projects and achieved fruitful results. He has over 20 years of international banking working experience spanning a wide spectrum of fields in China, United States and Singapore. Before joining OCBC Wing Hang Bank (China) Limited, Mr. Wang held several senior positions in JPMorgan Chase & Co., McKinsey & Company and United Overseas Bank (China) Limited, where he oversaw the operations, technology and Risk Management and accumulated rich and comprehensive experience in the international financial business management and people engagement. Mr. Wang holds a Master of Business Administration degree from Kellogg School of Management at Northwestern University and a bachelor's degree in Computer Science from Peking University.

Mr. Linus Goh Ti Liang was appointed Head of Global Commercial Banking in April 2012. In this capacity, he has global responsibility for OCBC Bank's commercial, institutional and transaction banking businesses. He joined OCBC Bank in April 2004 as Executive Vice President and Head of International, and in August 2008, assumed responsibility for Global Enterprise Banking and Financial Institutions. Mr. Goh has over 30 years of banking experience, including 17 years at Citibank, N.A. Singapore, where he held several senior management positions overseeing corporate banking, financial institutions, e-business and transaction banking. Mr. Goh serves as a board member of the investment arm of Enterprise Singapore, Seeds Capital Private Limited.

He also sits on the Pro-Enterprise Panel under the Ministry of Trade and Industry and the SME Committee under the Singapore Business Federation where he chairs the sub-committee on Business Environment and Cost Competitiveness. Mr. Goh holds a Bachelor of Arts (Philosophy) with Honours from the National University of Singapore and is an IBF Distinguished Fellow.

Ms. Elaine Lam was appointed Head of Global Corporate Banking in April 2016. She has global responsibility for OCBC Bank's corporate banking business which spans Global Real Estate, Wholesale Corporate Marketing, Global Commodities Finance, China Business Office as well as the Bank's corporate banking business in the overseas branches and subsidiaries. Ms. Lam is also responsible for driving the Structured Finance, Sustainable Finance and Partnership & Innovation groups within Global Corporate Banking. With more than 25 years of experience in corporate banking, she is currently a steering committee member of the Monetary Authority of Singapore's Finance Centre Advisory Panel Green Finance Workgroup, and a member of the IBF Sustainable Finance Workgroup. She also served in the IBF Corporate Banking Workgroup and the Financial Industry Competency Standards' Corporate Banking Working Group. Ms. Lam holds a Bachelor of Accountancy (Honours) from the Nanyang Technological University and is an IBF Fellow (Corporate Banking).

Mr. Bahren Shaari was appointed Chief Executive Officer of Bank of Singapore in February 2015. Prior to this appointment, he was the Senior Managing Director and Global Market Head of South East Asia. He has more than 30 years of banking experience. Mr. Bahren was appointed to the National University of Singapore's Board of Trustees from June 1, 2021 and has been a non-executive and independent director of Singapore Press Holdings since April 2012. Mr. Bahren is a member of the Council of Presidential Advisers. He was conferred the Public Service Star Medal in 2018 and the Public Service Medal in 2008. Mr. Bahren is an IBF Distinguished Fellow and holds a Bachelor of Accountancy degree from the National University of Singapore.

Mr. Gan Kok Kim was appointed Executive Vice President and Head of Global Investment Banking in February 2012. As the Head of Global Investment Banking, he oversees OCBC Bank's loans syndication, debt capital markets, corporate finance, merger and acquisition and mezzanine/private equity investment businesses. Mr. Gan joined OCBC Bank in 2004 as the Head of Treasury at OCBC Bank (Malaysia). In February 2011, he was also appointed Head of International Treasury. In August 2011, he was given the additional role of Head of Asset Liability Management in Singapore and gave up his Malaysian role. Mr. Gan has more than 32 years of trading, investment banking, and management experience and has held various positions in Citibank N.A. He holds a Bachelor of Science in Economics from the Massachusetts Institute of Technology.

Mr. Tan Chor Sen was appointed the Head of Global Enterprise Banking-International in 2012. In addition to overseeing the growth of the emerging business segment in OCBC Bank's core markets, he is also in charge of developing cross-border capabilities and business within the region, leveraging the OCBC network and partner banks in key markets. Mr. Tan joined OCBC Bank in 2005 as Head of Emerging Business. He is a council member of the Singapore-Tianjin Economic and Trade Council under Enterprise Singapore. Mr. Tan has over 35 years of banking experience where he began his career in commercial banking, with postings in consumer banking. He later held several positions in corporate and offshore banking. Mr. Tan holds a Bachelor of Business Administration from the National University of Singapore and is an IBF Fellow (Corporate Banking).

Mr. Melvyn Low is an industry veteran with more than 28 years of experience and has held senior positions in sales and product management, cash management, trade, and securities services in regional and global banks. Mr. Low also served as Director of the Singapore Clearing House Association from 2010 to 2013, where he was a key contributor to the launch of Fast and Secure Transfers, or FAST, platform. As the Chair of the PayNow Steering Committee of the Association of Banks in Singapore from 2019 to 2021, he co-led the Singapore banks in the launch of

PromptPay-PayNow, the world's first cross-border faster payment system. Mr. Low is currently the Payment Co-Chair of the Digital Standing Committee for ABS and the Corporate Banking Workgroup Chair for IBF. He also serves as a board member of Network for Electronic Transfers (Singapore) and the Singapore Trade Data Exchange (SgTradex). Mr. Low is an IBF Distinguished Fellow and holds a Master of Business Administration from the University of British Columbia, Canada.

Mr. Jason Ho Poh Wah joined OCBC Bank in January 2013 as Head of Asset Liability Management. He assumed the role of Head of Group Human Resources in July 2015, following his appointment as Deputy Head, effective January 2015. He has more than 30 years of banking experience and has held senior level positions at KBC Bank, Standard Chartered Bank and Volvo Group Treasury Asia Limited. Mr. Ho holds a Bachelor of Business Administration from the National University of Singapore and a Masters in Applied Finance from Macquarie University. He also serves as a Director of the Institute for Human Resource Professionals and is a member of the HR Industry Transformation Advisory Panel.[1]

Ms. Goh Chin Yee was appointed Head of Group Audit in March 2013 and Executive Vice President in April 2014. She oversees the full spectrum of internal audit activities for OCBC Bank and its subsidiaries. She reports directly to the Audit Committee and administratively to the Group CEO. Prior to this appointment, Ms. Goh has worked in diverse functions in the OCBC Group, covering strategic management, investment research, fund management, finance, risk management and treasury business management. She graduated with First Class Honours in Bachelor of Engineering from the National University of Singapore and holds the professional qualifications of Chartered Financial Analyst and Certification in Risk Management Assurance. Ms. Goh also serves as a Governor and Vice President of The Institute of Internal Auditors Singapore.

Ms. Loretta Yuen was appointed General Counsel and Head of Group Legal and Compliance in September 2010 and Executive Vice President in June 2015. She oversees the full spectrum of legal and regulatory risks, including anti-money laundering, across OCBC Bank and its subsidiaries, and provides advice on regulatory risks and legal issues involved in decisions to management, so that management can make informed strategic choices within an acceptable legal and regulatory risk profile. Ms. Yuen has over 20 years of legal and regulatory experience in banking and finance. She graduated with Second Class Honours in Law from the National University of Singapore and is an IBF Distinguished Fellow. In 2017, Ms. Yuen was conferred the Outstanding Singapore Chief Legal Officer Award by the Singapore Corporate Counsel Association.

Ms. Koh Ching Ching oversees OCBC Bank's branding and communications initiatives with the media, employees, customers, shareholders and the general public across its core markets as the Head of Group Brand and Communications. She has been heading the division since November 2004 and was appointed Executive Vice President in March 2012. Prior to her current role, she led OCBC Bank's franchise expansion efforts in trade finance in Malaysia. Ms. Koh had 16 years of corporate and retail banking experience, having held various senior customer and product positions in local and foreign financial institutions. She graduated with First Class Honours in Business Administration from the National University of Singapore.

---

[1] On March 8, 2022, OCBC bank announced that Mr. Jason Ho would be retiring on June 25, 2022.

Mr. Praveen Raina was appointed Head of Group Operations and Technology in June 2021. He has more than 20 years of experience and was instrumental in leading the Bank's innovation and transformation efforts in the technology sphere. Mr. Raina joined OCBC Bank in August 2008 and has held various senior management positions in Group Operations and Technology. He was appointed Executive Vice President in May 2019 and assumed the role of Global Head of Operations and Technology at OCBC Bank's private banking subsidiary, Bank of Singapore in December the same year. Mr. Raina has a Master of Business Administration from the University of Windsor and a Bachelor of Applied Science in Computer Science from the Memorial University of Newfoundland.

Ms. Sylvia Ng joined OCBC Bank in June 2021 as Head of Strategic Planning. In this role, she supports the Group CEO in the formulation and planning of the Group's strategy and monitoring of strategic and thematic business opportunities. Ms Ng began her banking career with HSBC in 2002 as a graduate talent in investment banking, and has held various corporate planning and business development roles in HSBC's Hong Kong, China and United Kingdom offices. She has an established track record in leading strategic development and implementation, with her last held position at HSBC Hong Kong being its Head of Business Development for Greater China. Prior to joining OCBC Bank, she was the General Manager of Corporate Strategy for MTR Corporation in Hong Kong. Ms Ng graduated with first class honours in Investment and Financial Risk Management from City University Business School, London, United Kingdom. She also holds an MBA from the Kellogg-HKUST Executive MBA Program.

PRINCIPAL SHAREHOLDERS

Ordinary Shares

Twenty Largest Holders of Ordinary Shares

The total shareholdings of the 20 largest shareholders (members) of OCBC Bank comprised 71.65% of the issued share capital of OCBC Bank, and their names and the number of ordinary shares held by each of them as of March 3, 2022 are detailed below:

Shareholders	Number of shares held	%*
Citibank Nominees Singapore Pte Ltd	690,152,669	15.36
Selat Pte Limited	467,604,264	10.41
Raffles Nominees (Pte) Limited	314,609,079	7.00
HSBC (Singapore) Nominees Pte Ltd	298,853,691	6.65
DBSN Services Pte Ltd	291,673,698	6.49
Lee Foundation	200,851,953	4.47
Herald Investment Pte Ltd	181,721,294	4.04
DBS Nominees Pte Ltd	181,315,323	4.04
Singapore Investments Pte Ltd	157,007,526	3.49
Lee Rubber Company Pte Ltd	141,656,364	3.15
United Overseas Bank Nominees Pte Ltd	48,774,954	1.09
Kallang Development (Pte) Limited	44,007,742	0.98
BPSS Nominees Singapore (Pte.) Ltd.	35,083,784	0.78
DB Nominees (Singapore) Pte Ltd	32,305,848	0.72
Lee Pineapple Company Pte Ltd	30,595,980	0.68
Kew Estate Limited	28,400,489	0.63
Phillip Securities Pte Ltd	22,959,848	0.51
OCBC Nominees Singapore Pte Ltd	20,137,995	0.45
OCBC Securities Private Ltd	18,018,289	0.40
UOB Kay Hian Pte Ltd	13,820,382	0.31
Total	3,219,551,172	71.65

Note:

* Percentage is calculated based on the total number of issued ordinary shares, excluding treasury shares.

Substantial Holders of Ordinary Shares

The following table shows the shareholders of OCBC Bank as shown in the Register of Substantial Shareholders:

Substantial ordinary shareholders	Direct Interest Number of Shares	Deemed Interest Number of Shares	Total Number of Shares	% of issued ordinary shares*
Lee Foundation	189,310,098(1)	31,835,411(2)	221,145,509	5.13
Selat (Pte) Limited . . .	467,604,264	181,721,294(3)	649,325,558	14.44

Notes:

* Percentage is calculated based on the total number of issued shares (excluding treasury shares) as at the date of the latest notification given by the relevant substantial shareholder under the Securities and Futures Act 2001 ("**SFA**").

(1) Does not include shares acquired pursuant to OCBC's Scrip Dividend Scheme in October 2019, October 2020 and June 2021. As the acquisitions did not result in any overall percentage level changes in Lee Foundation's total interest in OCBC, no notification of the changes was required to be given under the SFA.

(2) Represents Lee Foundation's deemed interest in (a) the 29,222,140 shares held by Lee Pineapple Company (Pte) Limited, and (b) the 2,613,271 shares held by Peninsula Plantations Sendirian Berhad ("**Peninsula Plantations**"). Lee Foundation has, however, informed the Bank in writing that it has ceased to have a deemed interest in the shares held by Peninsula Plantations following a corporate restructuring exercise but that, as the cessation did not result in an overall percentage level change in Lee Foundation's total interest in OCBC, no notification of the change was required to be given under the SFA.

(3) Represents Selat (Pte) Limited's deemed interest in the 181,721,294 shares held by Herald Investment Pte Ltd.

As of March 3, 2022, approximately 72.2% of the issued ordinary shares (excluding ordinary shares held in treasury) were held in public hands.

Distribution of Ordinary Shareholders

The number of ordinary shareholders (members) of OCBC Bank as of March 3, 2022 is 125,619.

There is one class of ordinary shares with equal voting rights.

Size of Holdings	Number of Ordinary Shareholders	%	Number of Shares held	%
1 – 99.	11,764	9.37	426,010	0.01
100 – 1,000	33,514	26.68	18,606,043	0.41
1,001 – 10,000.	62,475	49.73	218,371,388	4.84
10,001 – 1,000,000	17,743	14.12	786,011,136	17.41
1,000,001 and above	123	0.10	3,491,348,422	77.33
Total.	125,619	100.00	4,514,762,999	100.00

As of March 3, 2022, the number of issued ordinary shares (including treasury shares) was 4,514,762,999. As of March 3, 2022, the number of ordinary shares held in treasury was 22,220,525 which represented 0.49% of the total number of ordinary shares.

SUBSIDIARIES, AFFILIATES AND ASSOCIATED COMPANIES

As of December 31, 2021, we had 106 consolidated subsidiaries and 7 associates, which are accounted for in the consolidated financial statements using the equity method of accounting. The following table sets forth information with respect to our principal companies, all of which are consolidated as of December 31, 2021.

Subsidiaries, affiliates and associated companies	Effective %[4] Interest held	Main business
Banco OCBC Weng Hang, S.A.[1]	100	Banking
Bank of Singapore Limited[1]	100	Banking
OCBC Al-Amin Bank Berhad[1]	100	Banking
OCBC Bank (Malaysia) Berhad[1]	100	Banking
OCBC Wing Hang Bank (China) Limited[1]	100	Banking
OCBC Wing Hang Bank Limited[1]	100	Banking
PT Bank OCBC NISP Tbk[2]	85	Banking
Great Eastern General Insurance Limited[3]	88	Insurance
Great Eastern General Insurance (Malaysia) Berhad[3]	88	Insurance
Great Eastern Life Assurance (Malaysia) Berhad[3]	88	Insurance
The Great Eastern Life Assurance Company Limited[3]	88	Insurance
Lion Global Investors Limited[3]	92	Asset management
Great Eastern Holdings Limited[3]	88	Investment holding
OCBC Securities Private Limited[1]	100	Stockbroking

Notes:

(1) Audited by KPMG LLP for the financial year ended 2019. Audited by PricewaterhouseCoopers LLP for the financial years ended 2020 and 2021.

(2) Audited by PricewaterhouseCoopers LLP.

(3) Audited by Ernst and Young for the financial year ended 2019. Audited by PricewaterhouseCoopers LLP for the financial years ended 2020 and 2021.

(4) Rounded to the nearest percentage.

SUPERVISION AND REGULATION

Singapore Banking Industry

Introduction

Singapore licensed banks come within the ambit of the Banking Act and the MAS, as the administrator of the Banking Act, supervises and regulates the banks and their operations. In addition to provisions in the Banking Act and the subsidiary legislation issued thereunder, banks have to comply with notices, circulars, guidelines, practice notes and codes issued by the MAS from time to time, which may be issued to the banking industry generally or to a Singapore licensed bank specifically.

A licensed bank's operations may include the provision of capital markets services and financial advisory services. A bank licensed under the Banking Act is exempt from holding a capital markets services license under the SFA and from holding a financial adviser's license under the Financial Advisers Act 2001 of Singapore (the "**FAA**"). However, a licensed bank will nonetheless have to comply with the SFA and the FAA and the subsidiary legislation issued thereunder, as well as notices, circulars, guidelines, practice notes and codes issued by the MAS from time to time, as may be applicable to it in respect of these regulated activities, and its conduct of any other activities that fall within the ambit of the SFA and FAA.

The Monetary Authority of Singapore

The MAS is banker and financial agent to the Singapore Government and is the central bank of Singapore. Following its merger with the Board of Commissioners of Currency, Singapore on October 1, 2002, the MAS has also assumed the functions of currency issuance. The MAS' functions include: (a) to act as the central bank of Singapore, including the conduct of monetary policy, the issuance of currency, the oversight of payment systems and serving as banker to and financial agent of the Singapore Government; (b) to conduct integrated supervision of financial services and financial stability surveillance; (c) to manage the official foreign reserves of Singapore; and (d) to develop Singapore as an international financial center.

COVID-19 Temporary Measures

On April 7, 2020, the MAS announced that it will adjust selected regulatory requirements and supervisory programs to enable financial institutions to focus on dealing with issues related to the COVID-19 pandemic and supporting their customers during this difficult period. The MAS will take the following regulatory and supervisory measures: (a) adjust banks' capital and liquidity requirements, to help sustain their lending activities; (b) allow financial institutions to take into account the government's fiscal assistance and bank's relief measures in setting more realistic accounting loan loss allowances; (c) defer institutions' implementation of the final set of Basel III reforms, margin requirements for non-centrally cleared derivatives, and other new regulations and policies, to ease a financial institution's operational burden; (d) provide financial institutions with more latitude on submission timelines for regulatory reports and defer non-urgent industry projects; and (e) suspend regular onsite inspections and supervisory visits till further notice.

The summary of the laws, subsidiary legislation, notices, directives, circulars and guidelines relating to the regulation and supervision of banks stated below and elsewhere in this Offering Memorandum should be read subject to such adjustments and measures, and any further adjustments and measures, as may be announced by the MAS from time to time.

For example, MAS Notice 637 has been amended to allow the full recognition of balances maintained in the regulatory loss allowance reserve accounts as Tier 2 Capital between March 31, 2020 and September 30, 2021 (both dates inclusive) and MAS Notice 652 has been amended to:

(a) lower the required stable funding factors for all loans from a D-SIB or internationally active bank to non-financial corporates, retail customers and small business customers, that have a residual maturity of less than six months, from 50 per cent. to 25 per cent. for the period between April 8, 2020 and September 30, 2021 (both dates inclusive); and

(b) gradually phase back the required stable funding factors referred to above from 25 per cent. to 50 per cent. by April 1, 2022.

The COVID-19 (Temporary Measures) Act 2020 passed on April 7, 2020 also allows, *inter alia*, for the provision of temporary relief from legal action over certain loan facilities granted by a bank to small and medium enterprises (specifically businesses in Singapore with turnover of not more than S$100 million in the latest financial year, where not less than 30% of its shares or other ownership interest is held by citizens of Singapore or permanent residents of Singapore or both) where such loans are fully or partially secured against commercial or industrial immovable property, plant, machinery or other equipment used for business purposes in Singapore. The bank would be prohibited from instituting, *inter alia*, court and insolvency proceedings and enforcement of security over such immovable property or movable property that is used for the purposes of business or trade for the period stipulated in the COVID-19 (Temporary Measures) Act 2020. These measures are in place for six months from April 20, 2020 at first instance, and may be subsequently extended for up to a year from such date. The prescribed period for loans by banks and finance companies to Singapore SMEs was extended from October 19, 2020 to November 19, 2020 or later.

The measures, laws, and regulations highlighted in this "COVID-19 Temporary Measures" section are non-exhaustive, and should be read in tandem with further updates to such measures and the summary of laws, subsidiary legislation, notices, directives, circulars and guidelines elsewhere in this Offering Memorandum.

Special Financial Relief Program

On March 31, 2020, the MAS, the ABS, the Life Insurance Association ("**LIA**"), the General Insurance Association ("**GIA**") and the Finance Houses Association of Singapore ("**FHAS**") issued an announcement introducing a Special Financial Relief Program for individuals and small and medium enterprises. Amongst other measures, this allows individuals with residential property loans to apply to their bank to defer either:

(a) principal payment; or

(b) both principal and interest payments,

up to December 31, 2020, with interest accruing only on the deferred principal amount. In order to be eligible for such relief, the individual must not have been in arrears for more than 90 days as at April 6, 2020. Further measures were provided for on April 30, 2020 and allow individuals with commercial and industrial property loans to apply to their bank to defer principal payments up to December 31, 2020, and individuals with mortgage equity withdrawal loans that are granted on or after April 6, 2020 to apply to their bank to defer either principal payment or both principal and interest payments up to December 31, 2020.

On June 24, 2021, the MAS, ABS and FHAS announced an extension of support measures for individuals and SMEs, in certain sectors that continue to face financial difficulties due to the COVID-19 pandemic. This is expected to be the final extension of the industry-wide support measures.

Individuals with residential, commercial and industrial property loans who are unable to resume making full loan repayments from January 1, 2021 may apply to their respective bank or finance company to make reduced installment payments pegged at 60% of their monthly installment, for a period of up to 9 months but not exceeding December 31, 2021. Also, individuals with renovation and student loans may apply to their respective bank to extend their loan tenures by up to 3 years. The application window for these support measures was extended to September 30, 2021.

SMEs can seek relief under the Extended Support Scheme – Standardized ("**ESS-S**"), under which SMEs in certain sectors may opt to defer 80% of principal payments on their secured loans granted by banks or finance companies, as well as well as loans granted under Enterprise Singapore's Enhanced Working Capital Loan Scheme and Temporary Bridging Loan Program until September 30, 2021. In addition, the Extended Support Scheme – Customized ("**ESS-C**"), an industry program to help SMEs with more than one lender restructure their credit facilities across multiple banks and finance companies, was launched on November 1, 2020. The application window for the ESS-C was extended to December 31, 2021.

In connection with these measures, MAS has released updates to certain MAS notices, such as MAS Notice 632, MAS Notice 632B and MAS Notice 645A, to take into account such loans that have been deferred at the option of the borrower. Amendments were also made to certain regulations, such as the Banking (Credit Card and Charge Card) Regulations 2013, MAS Notice 635 and MAS Notice 642 on relief measures in respect of renovation loans and motor vehicle loans.

The special financial relief programs which have expired over the course of 2021 are not expected to be extended.

Moderation of FY2020 Dividends

The MAS announced on July 29, 2020 that it has called on locally-incorporated banks headquartered in Singapore to cap their total dividends per share ("**DPS**") for FY2020 at 60% of FY2019's DPS, and offer shareholders the option of receiving the dividends to be paid for FY2020 in scrip in lieu of cash.

The dividend restriction is a pre-emptive measure to bolster the banks' ability to continue to support the credit needs of businesses and consumers in the current business environment.

On July 28, 2021, the MAS announced that the dividend restrictions on locally-incorporated banks and finance companies headquartered in Singapore will not be extended.

Enhancing access to SGD and USD funding

On September 3, 2020, the MAS announced measures to enhance the banking system's access to SGD and USD funding, which are intended to strengthen banking sector resilience, promote more stable SGD and USD funding conditions, and support credit intermediation amid continued economic headwinds from the COVID-19 pandemic.

A new MAS SGD Term Facility was launched in the week of September 28, 2020, to provide banks and finance companies an additional channel to borrow SGD funds at longer tenors and with more forms of collateral. The MAS SGD Term Facility will offer SGD funds in the 1-month and 3-month tenors, complementing the existing overnight MAS Standing Facility. In line with the MAS SGD

Term Facility's objective to serve as a liquidity backstop, pricing will be set above prevailing market rates. A wider range of collateral comprising cash and marketable securities in SGD and major currencies will be accepted. In particular, D-SIBs that are incorporated in Singapore will be able to pledge eligible residential property loans as collateral at the MAS SGD Term Facility.

Likewise, the range of collateral that banks in Singapore can use to access USD liquidity from the MAS USD Facility will also be expanded. Presently, banks in Singapore can borrow USD by pledging eligible SGD-denominated collateral. From September 28, 2020, banks are able to obtain USD liquidity by pledging a wider pool of cash and marketable securities, in line with what is accepted at the MAS SGD Term Facility.

The MAS also indicated that it will raise the asset encumbrance limit imposed on locally-incorporated banks under the Banking Act. The asset encumbrance limit will be increased to 10% of a locally-incorporated bank's total assets, up from the current limit of 4%. This increase will give the locally-incorporated banks greater leeway to pledge residential property loans as collateral to access funding, so that they can support the financial needs of individuals and businesses that are affected by the COVID-19 pandemic.

The MAS announced on July 5, 2021 that it will extend the MAS SGD Facility for ESG Loans from October 1, 2021 to March 31, 2022. This Facility provides low-cost funding for banks and finance companies to grant loans under Enterprise Singapore's Enterprise Financing Scheme – SME Working Capital Loan and Temporary Bridging Loan Program. It was announced on June 17, 2021 that the MAS USD Facility will also be extended to December 31, 2021. The MAS USD Facility expired on December 31, 2021.

The Regulatory Environment

In December 2010, the Basel Committee published Basel III which presents the details of global regulatory standards on bank capital adequacy and liquidity, aimed at strengthening global capital standards and promoting a more resilient banking sector.

Basel III sets out higher capital standards for banks, and introduced two global liquidity standards: the "Liquidity Coverage Ratio", intended to promote resilience to potential liquidity disruptions over a 30-day horizon and the "Net Stable Funding Ratio", which requires a minimum amount of stable sources of funding at banks relative to the liquidity profiles of their assets and potential for contingent liquidity needs arising from off-balance sheet commitments over a one-year horizon. In January 2011, the Basel Committee has also published requirements for all classes of capital instruments issued on or after January 1, 2013 to be loss absorbing at the point of non-viability. In July 2012, the Basel Committee further published the interim framework for capitalization of bank exposures to central counterparties.

MAS Notice 637 implements Basel III capital standards for Singapore-incorporated banks and sets out the current requirements relating to the minimum capital adequacy ratios for Singapore-incorporated banks and the methodology such banks shall use for calculating these ratios. MAS Notice 637 also sets out the expectations of the MAS in respect of the internal capital adequacy assessment process of Singapore-incorporated banks under the supervisory review process and specifies the minimum disclosure requirements for Singapore-incorporated banks in relation to its capital adequacy.

Pursuant to MAS Notice 637, the MAS has imposed capital adequacy ratio requirements on a Singapore-incorporated bank at two levels:

(a) the bank standalone ("**Solo**") level capital adequacy ratio requirements, which measure the capital adequacy of a Singapore-incorporated bank based on its standalone capital strength and risk profile; and

(b) the consolidated ("**Group**") level capital adequacy ratio requirements, which measure the capital adequacy of a Singapore-incorporated bank based on its capital strength and risk profile after consolidating the assets and liabilities of its subsidiaries and any other entities which are treated as part of the bank's group of entities according to SFRS (collectively called "**banking group entities**") taking into account any exclusions of certain bank group entities or any adjustments pursuant to securitization required under MAS Notice 637.

Where a Singapore-incorporated bank issues covered bonds (as defined in MAS Notice 648 on Issuance of Covered Bonds by Banks Incorporated in Singapore ("**MAS Notice 648**")), the Singapore-incorporated bank must continue to hold capital against its exposures in respect of the assets included in a cover pool (as defined in MAS Notice 648) in accordance with MAS Notice 637. In the case where the Singapore-incorporated bank uses a special purpose entity to issue covered bonds or where the cover pool is held by a special purpose entity, the bank is required to apply a "look through" approach for the purpose of computing its capital requirements under MAS Notice 637. Under the "look through" approach, the Singapore-incorporated bank and the special purpose entity will be treated as a single entity for the purposes of MAS Notice 637.

In addition to complying with the above capital adequacy ratio requirements in MAS Notice 637, a Singapore-incorporated bank should consider as part of its internal capital adequacy assessment process whether it has adequate capital at both the Solo and Group levels to cover its exposure to all risks.

Under MAS Notice 637, D-SIBs will be required to meet capital adequacy requirements that are higher than the Basel Committee's requirements. MAS Notice 637 sets out a minimum CET1 CAR of 6.5%, Tier 1 CAR of 8.0% and a Total CAR of 10.0% for D-SIBs incorporated in Singapore. The minimum capital requirements under MAS Notice 637 are two percentage points higher than the Basel III minima specified by the Basel Committee, and are aimed to reduce the probability of failure of D-SIBs by increasing their going-concern loss absorbency.

Under the requirements of the Basel Committee, banks are required to maintain minimum CET1 CAR, Tier 1 CAR and Total CAR of 4.5%, 6.0% and 8.0%, respectively, from January 1, 2015. In addition, banks are required to hold a CCB of 2.5% above the minimum capital adequacy requirements to weather periods of high stress. This CCB is to be met with CET1 capital and began at 0.625% on January 1, 2016, increasing by an additional 0.625 percentage points in each subsequent year, and reached 2.5% on January 1, 2019.

Furthermore, banks may be subject to a countercyclical buffer ranging from 0% to 2.5% which will be implemented by each country when there has been a build-up of system-wide risk associated with excessive aggregate credit growth in their systems, with discretion on the implementation according to their national circumstances. The countercyclical buffer was phased in from January 1, 2016 to January 1, 2019. It is not an ongoing requirement but only applied as and when specified by the relevant national banking supervisors. The countercyclical buffer is to be maintained in the form of CET1 capital.

In line with the Basel Committee's requirements, the MAS has introduced in MAS Notice 637 a CCB of 2.5% above the minimum capital adequacy requirements. The CCB will be met with CET1 capital and begins at 0.625% on January 1, 2016, increasing by an additional 0.625% in each subsequent year, to reach its final level of 2.5% on January 1, 2019. The MAS has also introduced in MAS Notice 637 a countercyclical buffer requirement in the range of 0% to 2.5% to be met with CET1 capital. The actual magnitude of the countercyclical buffer applicable to a Singapore-incorporated bank is the weighted average of the country-specific countercyclical buffer requirements that are being applied by the regulators in the countries to which the bank has private sector credit exposures.

The table below summarizes the capital requirements under MAS Notice 637 for D-SIBs.

From January 1,	2015	2016	2017	2018	2019
Minimum CARs%					
CET1 (a)	6.5	6.5	6.5	6.5	6.5
CCB (b)	–	0.625	1.25	1.875	2.5
CET1 including CCB (a) + (b)	6.5	7.125	7.75	8.375	9.0
Tier 1 including CCB	8.0	8.625	9.25	9.875	10.5
Total including CCB	10.0	10.625	11.25	11.875	12.5
Maximum Countercyclical Buffer	–	0.625	1.25	1.875	2.5

In addition to changes in minimum capital requirements, Basel III also mandates various adjustments in the calculation of capital resources. These adjustments include items such as goodwill, intangible assets, deferred tax assets and investments in unconsolidated financial institutions in which the bank holds a major stake and are fully-phased in as at January 1, 2018.

MAS Notice 637 was amended on October 17, 2016 to implement requirements for Singapore-incorporated banks that are consistent with the final standards issued by the Basel Committee in relation to (a) capital requirements for banks' equity investments in funds, (b) the Basel Committee's standardized approach for measuring counterparty credit risk exposures, (c) capital requirements for bank exposures to central counterparties, and (d) revised Pillar 3 disclosure requirements. The amendments will enhance the risk capture of banks' equity exposures and counterparty credit risk exposures, while the revised Pillar 3 disclosure requirements will improve comparability and consistency of disclosures and enable market participants to better assess a bank's capital adequacy. Revisions have also been made to align the regulatory capital treatment for investments in unconsolidated major stake entities that are not financial institutions, and for private equity and venture capital investments, with the treatment of significant investments in commercial entities under the Basel capital framework. The amendments took effect from January 1, 2017. For amendments relating to the standardized approach for measuring counterparty credit risk exposures and capital requirements for bank exposures to central counterparties, transitional arrangements are provided to allow more time for implementation. For Pillar 3 disclosure requirements, the disclosures required under the revised framework will be for the reporting periods ending on or immediately after January 1, 2017 for the majority of disclosure templates and January 1, 2018 for the remaining templates.

On September 22, 2017, a revised MAS Notice 637 was issued. Among other things, the transitional arrangements for the adoption of the Internal Ratings Based Approach were amended to reflect certain changes in the calculation of the amount of capital floors, including removing "Tier 1 Capital Resources Requirement" from the basis in calculating the amount of capital floors. Revisions were also made to the reporting schedules in MAS Notice 637.

Separately, the MAS released a consultation paper on proposed amendments to MAS Notice 637 on January 9, 2017 to implement requirements that are consistent with the final standards issued by the Basel Committee in relation to revisions to the securitization framework and standards for interest rate risk in the banking book ("**IRRBB**"). The proposed framework for IRRBB sets out Pillar 2 requirements for the identification, measurement, monitoring and control of IRRBB, and disclosure requirements under prescribed interest rate shock scenarios. On November 29, 2017, the MAS released its response to this consultation paper and issued a revised MAS Notice 637 to implement amendments to the securitization framework. These strengthen capital standards for securitization exposures, while providing a preferential capital treatment for simple, transparent and comparable securitizations. The framework for IRRBB, which was finalized and incorporated

into a revised MAS Notice 637 on November 13, 2018 and took effect from December 31, 2018, sets out requirements for the identification, measurement, monitoring and control of IRRBB that are consistent with the standard issued by the Basel Committee.

On July 25, 2017, the MAS issued the Consultation Paper on the Proposed Amendments to Capital Requirements for Singapore-Incorporated Banks in MAS Notice 637 which proposes amendments to introduce the minimum leverage ratio requirement of 3.0%. Technical enhancements were also proposed on the capital treatment of equity investments and the definition of default under the Internal Ratings Based Approach for credit risk. On December 28, 2017, MAS Notice 637 was revised to introduce a minimum leverage ratio requirement of 3.0% at the Solo and Group levels with effect from January 1, 2018.

On December 20, 2017, the MAS issued a Consultation Paper on Proposed Amendments to Widen the Scope of Eligible Collateral Relating to Commodities and Equity Securities in MAS Notice 637, to propose amendments to MAS Notice 637 to widen the scope of eligible collateral relating to commodities and equity that may be recognized for credit risk mitigation purposes. The MAS issued its response to this consultation on November 13, 2018, and implemented its proposed revisions to the list of eligible collateral in MAS Notice 637 with effect from November 16, 2018.

On November 13, 2018, MAS Notice 637 was also amended to implement the Basel Committee's total loss-absorbing capacity ("**TLAC**") holdings standard (the "**TLAC Amendments**"). The TLAC Amendments sought to limit contagion within the financial system if a global systemically important bank ("G-SIB") were to enter resolution. They introduced, among other things, the requirement of an additional 5% threshold for non-regulatory capital TLAC holdings, and confine the usage of the additional 5% threshold to non-regulatory capital TLAC holdings that meet certain prescribed conditions, including the conditions that such TLAC holdings must be: (a) in the bank's trading book; and (b) sold within 30 business days of the date of its acquisition. The TLAC Amendments took effect from January 1, 2019.

On May 7, 2019, the MAS released a consultation paper on "Proposed Implementation of the Final Basel III Reforms in Singapore", seeking feedback on proposed revisions to the risk-based capital requirements and leverage ratio requirements for Singapore-incorporated banks to align with the Basel III reforms, and to implement these revisions from January 1, 2022. These proposals, if implemented, can affect the way banks in Singapore calculate their exposures, which may in turn affect their capital or liquidity requirements. On April 7, 2020, in line with the announcement by Basel Committee, MAS announced that the implementation date of the Basel III reforms has been deferred by one year to January 1, 2023 to enable banks to prioritize their resources to respond to the impact of COVID-19.

On December 17, 2020, the MAS released its "Response to Feedback Received on the Proposed Implementation of the Final Basel III Reforms in Singapore – Operational Risk Capital and Leverage Ratio Requirements". On March 25, 2021, the MAS released its "Response to Feedback Received on the Proposed Implementation of the Final Basel III Reforms in Singapore – Credit Risk Capital and Output Floor Requirements". On the same day, the MAS also released a consultation paper on "Draft Standards for Credit Risk Capital and Output Floor Requirements for Singapore-incorporated Banks", seeking feedback on proposed amendments to MAS Notice 637 in respect of credit risk capital and output floor requirements which take into account this Response. The revised standards are expected to take effect from January 1, 2023, with transitional arrangements provided for implementation of the output floor till January 1, 2028.

On September 13, 2021, the MAS published its "Response to Feedback Received on the Proposed Implementation of the Final Basel III Reforms in Singapore – Market Risk Capital Requirements". On the same day, the MAS also released a consultation paper on "Draft Standards for Market Risk Capital and Capital Reporting Requirements for Singapore-Incorporated Banks"

seeking feedback on draft standards relating to market risk capital and capital reporting requirements for Singapore-incorporated banks. Under this consultation paper, amendments have been proposed to MAS Notice 637 to take into account standards relating to market risk capital requirements in the consolidated Basel Framework published by the Basel Committee on Banking Supervision. The MAS intends to implement the revised standards for market risk capital for supervisory reporting purposes from January 1, 2023, and for the purposes of compliance with capital adequacy and disclosure requirements from January 1, 2023 or later.

With effect from June 30, 2019, further amendments were made to MAS Notice 637 to allow the recognition of on-balance sheet netting agreements for loans and deposits for credit risk mitigation purposes, introduce proportionality for disclosure requirements, revise certain disclosure templates, and implement other technical revisions.

On March 31, 2020, in light of the COVID-19 pandemic, MAS Notice 637 was amended to allow the full recognition of balances maintained in regulatory loss allowance reserve accounts as Tier 2 Capital between March 31, 2020 and September 30, 2021 (both dates inclusive). Further technical revisions to MAS Notice 637 were implemented with effect from October 1, 2020, including the capital treatment of public sector entities.

With effect from July 1, 2021, MAS Notice 637 was amended to specify the transitional arrangements for the adoption of the standardized approach for counterparty credit risk ("**SA-CCR**") and to indicate that the revised capital requirements for bank exposures to central counterparties will cease on December 31, 2021. It also reflects amendments setting out an alternative treatment for the measurement of derivative exposures for leverage ratio calculation, using a modified version of SA-CCR as well as other amendments to implement technical revisions to the credit risk framework. Further amendments to MAS Notice 637 were made with effect from August 18, 2021 to implement the framework for the treatment of major stake investments in financial institutions at the Solo level.

With effect from December 31, 2021, MAS Notice 637 was amended to incorporate edits in relation to the insertion of a new charge to be held by the Housing and Development Board under the Prime Location Public Housing model. Further amendments effective from January 1, 2022 were also made to MAS Notice 637 to: (a) incorporate clarifications to the SA-CCR framework and the revised capital requirements for bank exposures to central counterparties, (b) implement revisions to the internal ratings-based approach application process and (c) implement technical revisions to the disclosure framework.

Other Key Prudential Provisions

Liquidity Coverage Ratio and Net Stable Funding Ratio

On November 28, 2014, the MAS issued MAS Notice 649. MAS Notice 649, which took effect on January 1, 2015, introduces a new liquidity requirement framework to implement the Basel III LCR rules and applies to banks in Singapore. Under MAS Notice 649 (as last revised on September 27, 2021), a D-SIB which is incorporated in Singapore and whose head office or parent bank is incorporated in Singapore shall maintain at all times, a Singapore Dollar LCR requirement of at least 100% and an all currency LCR requirement of at least 60% by January 1, 2015, with the all-currency LCR requirement increasing by 10% each year to 100% by 2019.

On December 14, 2015, the MAS issued MAS Notice 651 on Liquidity Coverage Ratio Disclosure ("**MAS Notice 651**"), which took effect on January 1, 2016. MAS Notice 651 was last revised on August 7, 2019.

On July 10, 2017, the MAS issued a new MAS Notice 652 on Net Stable Funding Ratio ("**MAS Notice 652**") to implement the proposals set out in the consultation paper on Local Implementation of Basel III Liquidity Rules – Net Stable Funding Ratio ("**NSFR**") and NSFR Disclosure Requirements which was released in November 2016. MAS Notice 652 applies to D-SIBs and internationally active banks and took effect from January 1, 2018 (save for the Required Stable Funding add-on for derivative liabilities, which took effect from October 1, 2019). Under MAS Notice 652, a D-SIB incorporated and whose head office or parent bank is incorporated in Singapore must maintain an all-currency NSFR of at least 100% on a consolidated level (excluding certain banking group entities such as an insurance subsidiary).

The MAS consulted on the implementation of NSFR disclosure requirements as part of the public consultation on Proposed Amendments to Disclosure Requirements under MAS Notice 637, 651 and 653 which was separately issued on July 10, 2017. The proposed amendments to the disclosure frequencies under MAS Notice 651 on Liquidity Coverage Ratio Disclosure and MAS Notice 653 on Net Stable Funding Ratio Disclosure have been included in accordance with the Basel Committee's revised standards. On December 28, 2017, the MAS issued the revised MAS Notices 637 and 651 and a new MAS Notice 653 on Net Stable Funding Ratio Disclosure ("**MAS Notice 653**") to implement disclosure requirements for Singapore-incorporated banks that are consistent with the Basel Committee's revised standards on Pillar 3 disclosures under the Basel III framework. The amendments to MAS Notice 637 took effect on January 1, 2018 (except where indicated otherwise). The revised MAS Notice 651 took effect from December 31, 2017 and MAS Notice 653 took effect from January 1, 2018. Subsequently, MAS Notice 651 and MAS Notice 653 were revised again with effect from October 1, 2019, to, among other things, clarify the scope of their application.

MAS Notice 651 and MAS Notice 653 set out requirements applicable to banks incorporated in Singapore that are D-SIBs or internationally active banks for the disclosure of quantitative and qualitative information about LCR and NSFR respectively. Under the revised MAS Notice 651, a D-SIB that is incorporated in Singapore and whose head office or parent bank is incorporated in Singapore, or an internationally active bank, is required to disclose quantitative and qualitative information about its LCR on a consolidated level (excluding certain banking group entities such as an insurance subsidiary) on a quarterly basis. MAS Notice 651 also sets out additional disclosure requirements on quantitative and qualitative information, such as the annual disclosure of information relating to its internal liquidity risk measurement and management framework.

Under MAS Notice 653, a D-SIB that is incorporated in Singapore and whose head office or parent bank is incorporated Singapore, or an internationally active bank, is required to disclose quantitative and qualitative information about its NSFR on a consolidated level (excluding certain banking group entities such as an insurance subsidiary) on a semi-annual basis.

Minimum Cash Balance

Under Section 39 of the Banking Act and MAS Notice 758 on Minimum Cash Balance ("**MAS Notice 758**"), a bank is also required to maintain, during a maintenance period, in its current account and custody cash account an aggregate minimum cash balance with MAS of at least an average of 3.0% of its average Qualifying Liabilities (as defined in MAS Notice 613 on Minimum Liquid Assets ("**MAS Notice 613**")) computed during the relevant two-week period beginning on a Thursday and ending on a Wednesday. The MAS has stated that MAS Notice 758 will be amended to include the definition of Qualifying Liabilities under MAS Notice 649 instead of referencing MAS Notice 613, which will be canceled with effect from January 1, 2016. However, to date, the MAS has neither amended the definition of Qualifying Liabilities under MAS Notice 758 nor canceled MAS Notice 613 (as last revised on September 27, 2021).

Exposures and Credit Facilities

Under Section 29 of the Banking Act, the MAS may, by notice in writing to any bank in Singapore, or any class of banks in Singapore, impose such requirements as may be necessary or expedient for the purposes of:

(a) identifying any person or class of persons, where exposure of the bank, or a bank within the class of banks, to the person or class of persons may result in concentration risk to the bank; or

(b) limiting the exposure of the bank, or a bank within the class of banks, to any person or class of persons, where the exposure may result in concentration risk to the bank.

For the purposes of this paragraph, "exposure" means the maximum loss that a bank may incur as a result of the failure of a counterparty to meet any of its obligations.

On January 3, 2018, the MAS released a Consultation Paper on Proposed Revisions to the Regulatory Framework for Large Exposures of Singapore-incorporated Banks. The proposed revisions take into account relevant aspects of the "Supervisory framework for measuring and controlling large exposures" published by the Basel Committee in April 2014, and will apply only to Singapore-incorporated banks. The MAS released the Response to Feedback Received – Proposed Revisions to the Large Exposures Framework for Singapore-Incorporated Banks on August 31, 2018 and will, among other things, tighten the large exposures limit from 25% of eligible total capital to 25% of Tier 1 capital.

On August 14, 2019, the MAS issued MAS Notice 656 on Exposures to Single Counterparty Groups for Banks Incorporated in Singapore ("**MAS Notice 656**") implementing the revised requirements. MAS Notice 656 provides that, among other things, a bank incorporated in Singapore must not permit: (a) at the Solo level, the aggregate of its exposures to any single counterparty group to exceed 25% of its Tier 1 capital; and (b) at the Group level, the aggregate of the exposures of the banking group to any counterparty, any director group, any substantial shareholder group or any connected counterparty group to exceed 25% of the Tier 1 capital of the banking group. On July 1, 2021, MAS Notice 656 was amended to, amongst others, reflect that the transitional arrangements for the adoption of the standardized approach for credit risk under MAS Notice 637 will cease on December 31, 2021 and to clarify the treatment for an exempt exposure that is secured by eligible financial collateral or eligible credit protection.

On July 1, 2021 a new Section 29A to the Banking Act intended to enhance the monitoring and control of the risk of conflict between the interests of a bank in Singapore and the interests of certain persons, branches or head offices that are related to the bank took effect. The new Section 29A provides that the MAS may, by written notice, impose requirements that are reasonably necessary for the purposes of identifying credit facilities from, exposures of and transactions of, the bank, to or with certain persons, branches, entities or head offices that may give rise to any conflict of interest, and for monitoring, limiting and restricting such credit facilities, exposures and transactions. Among other things, the notice may prohibit the bank from granting any credit facility, creating any exposure or entering into any transaction to or with such a person, branch, entity or head office.

Credit Loss Allowance

On December 29, 2017, the MAS issued the revised MAS Notice 612 on Credit Files, Grading and Provisioning (which took effect on January 1, 2018) in relation to the changes in the recognition and measurement of allowance for credit losses introduced in SFRS(I) 9. The regulatory requirement on minimum impairment provisions for credit-impaired exposures has been removed, and banks are to measure and recognize loss allowances for expected credit losses in accordance

with the requirements of SFRS(I) 9. In addition, locally-incorporated banks which are designated by the MAS as D-SIBs are to maintain Minimum Regulatory Loss Allowances. Where the Accounting Loss Allowance falls below the Minimum Regulatory Loss Allowance, a locally-incorporated D-SIB is required to recognize the additional loss allowance by establishing a non-distributable RLAR through appropriation of retained earnings. Every bank in Singapore is required to make adequate provisions for bad and doubtful debts and before any profit or loss is declared, ensure that the provision is adequate.

Related Party Transactions

The MAS issued MAS Notice 643 on Transactions with Related Parties ("**MAS Notice 643**") pursuant to the new Section 29A(1) of the Banking Act. MAS Notice 643, which took effect on July 1, 2021, sets out requirements relating to transactions of banks in Singapore with related parties and the responsibilities of banks in relation to transactions of branches or entities in the bank's group with related parties, which seek to minimize the risk of abuse arising from conflicts of interest in such transactions.

Under MAS Notice 643, a bank in Singapore is also required to obtain the approval of a special majority of three-fourths of its board and ensure that every branch or entity in its bank group obtains the approval of a special majority of three-fourths of the entity's board before entering into related party transactions that pose material risks to the bank (unless otherwise exempt), or write off any of its exposure to any of the bank's related parties, in order to provide more effective oversight over banks' related party transactions. MAS Notice 643 took effect on July 1, 2021.

Permitted businesses and holdings

A bank in Singapore is prohibited from carrying on or entering into any partnership, joint venture or other arrangement with any person to carry on any business except:

(a) banking business;

(b) business which is regulated or authorized by the MAS or if carried on in Singapore, would be regulated or authorized by the MAS under any written law;

(c) business which is incidental to (a) or (b);

(d) business or a class of business prescribed by the MAS; or

(e) any other business approved by the MAS (Section 30 of the Banking Act).

On September 29, 2017, the MAS released a Consultation Paper on the Review of Anti-Commingling Framework for Banks which proposes to refine the anti-commingling framework for banks in two key aspects, including streamlining the conditions and requirements under regulation 23G of the Banking Regulations so as to make it easier for banks to conduct or invest in permissible non-financial businesses that are related or complementary to their core financial businesses, and allowing banks to engage in the operation of digital platforms that match buyers and sellers of consumer goods or services, as well as the online sale of such goods or services. In this connection, the MAS has also proposed amendments to regulations 23F and 23G of the Banking Regulations in the Consultation Paper on Proposed Amendments to Regulations, Notices and Guidelines Arising from the Banking (Amendment) Act 2020 and Other Changes published on December 2, 2020. Among other things, the MAS has prescribed a list of permissible non-financial businesses which banks may carry on if the business is related or complementary to any of the core financial business which is carried on by the bank, subject to conditions such as the requirement for the bank to put in place risk management and governance policies and procedures that are commensurate with the risks posed by such business, and obtain the approval

of the board of directors (or an authorized person, in the case of a bank incorporated outside Singapore and its head office has carried on the business before) for such policies and procedures.

The revised anti-commingling policy measures and the amendments to regulations 23F and 23G of the Banking Regulations have been effected by way of the Banking (Amendment) Regulations 2021 which took effect on July 1, 2021.

A bank in Singapore, either directly or through any subsidiary of the bank or any other company in the bank group, can hold any beneficial interest in the share capital of a company (and such other investment, interest or right as may be prescribed by the MAS) ("**equity investment**"), whether involved in financial business or not, so long as such equity investment does not exceed in the aggregate 2% of the capital funds of the bank or such other percentage as the MAS may prescribe. Such a restriction on a bank's equity investment does not apply to any interest held by way of security for the purposes of a transaction entered in the ordinary course of the bank's business in Singapore or to any shareholding or interest acquired or held by a bank in the course of satisfaction of debts due to the bank, where such interest is disposed of at the earliest suitable opportunity. This restriction on a bank's equity investment will also not apply in respect of any equity investment in a single company acquired or held by a bank in Singapore for the purposes of carrying on businesses that have been prescribed as a related or complementary business under regulation 23G(1) of the Banking Regulations. In addition, any major stake approved by the MAS under Section 32 of the Banking Act and any equity investment in a single company acquired or held by a bank when acting as a stabilizing bank in relation to an offer of securities issued by the company will not be subject to the restrictions on equity investment described above.

Under section 32 of the Banking Act, a bank in Singapore cannot hold or acquire, directly or indirectly, a major stake in any entity without obtaining the prior approval of MAS. A "**major stake**" means: (i) any beneficial interest exceeding 10% of the total number of issued shares or such other measure corresponding to shares in a company as may be prescribed; (ii) control over more than 10% of the voting power or such other measure corresponding to voting power in a company as may be prescribed; or (iii) any interest in the entity, by reason of which the management of the entity is accustomed or under an obligation, whether formal or informal, to act in accordance with the bank's directions, instructions or wishes, or where the bank is in a position to determine the policy of the entity. For the purposes of this section 32 of the Banking Act, "**entity**" means any body corporate or unincorporated, whether incorporated, formed or established in or outside Singapore.

No bank incorporated in Singapore shall hold or acquire, directly or through a subsidiary of the bank or any other company in the bank group, interests in or rights over immovable property, wherever situated, the value of which exceeds in the aggregate 20% of the capital funds of the bank or such other percentage as the MAS may prescribe (Section 33 of the Banking Act). The Banking Regulations further provide that the property sector exposure of a bank in Singapore shall not exceed 35% of the total eligible assets of that bank. Under the Banking Act and the Banking Regulations, a bank can invest in properties subject to an aggregate of 20% of its capital funds, but it is not allowed to engage in property development or management. However, a bank incorporated in Singapore such as OCBC is permitted to carry on property management and property enhancement services in relation to investment properties that are owned by any entity in its bank group, foreclosed properties that have been acquired or are held by any entity in its bank group and buildings (the whole or any part which is) occupied and used by any entity in its bank group for the carrying on of that entity's business. For this purpose, "**bank group**", in relation to a bank incorporated in Singapore, refers to the group of entities comprising (a) the bank; (b) every subsidiary of the bank; (c) every branch of the bank; and (d) every other entity that is treated as part of the bank's group of entities for accounting purposes according to the Accounting Standards (as defined in the Banking Regulations).

Issuance of Covered Bonds

With effect from December 31, 2013, Singapore-incorporated banks are permitted to issue covered bonds subject to conditions under MAS Notice 648 (last amended on September 27, 2021). The aggregate value of assets in the cover pools for all covered bonds issued by the bank and special purpose vehicles on behalf of the bank, and residential mortgage loans and assets eligible for inclusion in cover pools (but which have not been included) and which are transferred to the special purpose vehicles, must not exceed 10% of the value of the total assets of the bank at all times.

Corporate Governance Regulations and Guidelines

The Guidelines on Corporate Governance for Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are Incorporated in Singapore (dated April 3, 2013) (the "**2013 Guidelines**") comprises the Code of Corporate Governance 2012 (the "**Corporate Governance Code**") for companies listed on the SGX-ST and supplementary principles and guidelines from the MAS. The Guidelines and the Banking (Corporate Governance) Regulations 2005 define what is meant by an independent director and set out the requirements for the composition of the board of directors and board committees, such as the Nominating Committee, Remuneration Committee, Audit Committee and Risk Management Committee. The Guidelines also set out, *inter alia*, the principle that there should be a clear division of responsibilities between the leadership of the board of directors of a bank and the executive responsibilities of a bank, as well as the principle that there should be a strong and independent element on the board of directors of a bank, which is able to exercise objective judgment on corporate affairs independently, in particular, from the management of the bank and 10% shareholders of the bank (as defined in the Guidelines). The Guidelines also encourage the separation of the roles of Chairman and CEO and outline how this is to be applied. The Guidelines further set out the principle that the board of directors of a bank should ensure that the bank's related party transactions are undertaken on an arm's length basis.

The Corporate Governance Code was revised on August 6, 2018. The revised Corporate Governance Code sets out, amongst other things, the principles that there should be (i) a clear division of responsibilities between the leadership of the board of directors and the executive responsibilities of a company's business, and no one individual has unfettered powers of decision-making and (ii) an appropriate level of independence and diversity of thought and background in the composition of the board of directors of the company, to enable it to make decisions in the best interests of the company. The revised Corporate Governance Code also requires the separation of the roles of Chairman and Chief Executive Officer.

On November 9, 2021, the MAS published the Guidelines on Corporate Governance for Designated Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are incorporated in Singapore (the "**2021 Guidelines**"), which supersedes and replaces the 2013 Guidelines. The revisions take into account international standards and industry good practices. The MAS has incorporated the Code of Corporate Governance 2018 into the 2021 Guidelines and shifted certain provisions in the 2013 Guidelines which it considers to be baseline expectations on corporate governance into the Banking (CG) Regulations 2005 for mandatory compliance. The 2021 Guidelines also include additional guidelines added by the MAS to take into account the unique characteristics of the business of banking in light of the diverse and complex risks undertaken by financial institutions conducting banking business and the responsibilities to depositors. The guidelines that relate to disclosures are effective from January 1, 2022 and will apply to the annual reports covering financial years commencing from that date, with the bulk of the other guidelines becoming effective from April 1, 2022.

To further enhance the corporate governance of banks, the Banking Act:

(a) requires a Singapore-incorporated bank to seek the MAS' approval before it appoints certain key appointment holders (including directors and chief executive officers), and in doing so, the MAS has the power to prescribe the duties of the appointment holders and to specify the maximum term of each appointment;

(b) empowers the MAS to remove key appointment holders of banks if they are found to be not fit and proper. The grounds for removal of such key appointment holders will be aligned with the criteria for approving their appointment. A Singapore-incorporated bank must also immediately inform the MAS if a key appointment holder is (in accordance with the Guidelines on Fit and Proper Criteria (last revised on October 8, 2018)) no longer a fit and proper person to hold the appointment;

(c) provides a provision to protect banks' external auditors who disclose, in good faith, information to the MAS in the course of their duties from any liability that may arise from such disclosure;

(d) empowers the MAS to direct banks to remove their external auditors if they have not discharged their statutory duties satisfactorily and protect banks' external auditors who disclose, in good faith, information to the MAS in the course of their duties from any liability that may arise from such disclosure; and

(e) empowers the MAS to prohibit, restrict or direct a bank to terminate any transaction that the bank enters into with its related parties if it is deemed to be detrimental to depositors' interests.

Other Requirements

The MAS issues licenses under the Banking Act to banks to transact banking business in Singapore. Such licenses may be revoked if the MAS is satisfied, among other things, that the bank holding that license: (a) has ceased to transact banking business in Singapore; (b) has furnished information or documents to the MAS in connection with its application for a bank license which is or are false or misleading in a material particular; (c) if it is a bank incorporated outside Singapore, has had its bank license or authority to operate withdrawn by the supervisory authority which is responsible, under the laws of the country or territory where the bank is incorporated, formed or established, for supervising the bank; (d) proposes to make, or has made, any composition or arrangement with its creditors or has gone into liquidation or has been wound up or otherwise dissolved; (e) is carrying on its business in a manner likely to be detrimental to the interests of the depositors of the bank or has insufficient assets to cover its liabilities to its depositors or the public; (f) is contravening or has contravened any provision of the Banking Act; (g) has been convicted of any offense under the Banking Act or any of its directors or officers holding a managerial or executive position has been convicted of any offense under the Banking Act; (h) is contravening or has contravened any provision of the Deposit Insurance and Policy Owners' Protection Schemes Act 2011 of Singapore (the "**Deposit Insurance and Policy Owners' Protection Schemes Act**") or any Rules issued by the deposit insurance and policy owners' protection fund agency under the Deposit Insurance and Policy Owners' Protection Schemes Act; or (i) is contravening or has contravened any provision of the MAS Act, or any direction issued by the MAS under the MAS Act.

The MAS may also revoke an existing license if, upon the MAS exercising any power under Section 49(2) of the Banking Act or the Minister exercising any power under Division 2, 3, 4 or 4A of Part 4B of the MAS Act in relation to the bank, the MAS considers that it is in the public interest to revoke the license.

In the event of the winding up of a bank, the following liabilities in Singapore of the bank shall, amongst themselves, rank in the following order of priority: (i) firstly, any premium contributions due and payable by the bank under the Deposit Insurance and Policy Owners' Protection Schemes Act; (ii) secondly, liabilities incurred by the bank in respect of insured deposits, up to the amount of compensation paid or payable out of the Deposit Insurance Fund by the Singapore Deposit Insurance Corporation Limited under the Deposit Insurance and Policy Owners' Protection Schemes Act in respect of such insured deposits; (iii) thirdly, deposit liabilities incurred by the bank with non-bank customers, other than those specified in paragraph (ii) above which are incurred (a) in Singapore dollars; or (b) on terms under which the deposit liabilities may be discharged by the bank in Singapore dollars; (iv) fourthly, deposit liabilities incurred by the bank with non-bank customers other than liabilities referred to in paragraphs (ii) and (iii); and (v) fifthly, any sum claimed by the trustee of a resolution fund (within the meaning of section 98 of the MAS Act) from the bank under section 103, 104, 105 or 106 of the MAS Act. As between liabilities of the same class referred to in each of paragraphs (i) to (v) above, such liabilities shall rank equally between themselves. The liabilities specified above shall have priority over all unsecured liabilities of the bank other than the preferential debts specified in Section 203(1) of the Insolvency, Restructuring and Dissolution Act 2018 of Singapore.

On August 4, 2017, the MAS issued the Consultation Paper on Proposed Enhancements to the Deposit Insurance Scheme and Legislative Amendments to the Deposit Insurance and Policy Owners' Protection Schemes Act and Regulations which sets out recommendations to enhance various features of the DI Scheme. Among other things, the MAS proposes to amend the Deposit Insurance and Policy Owners' Protection Schemes Act to effect changes previously proposed in earlier consultations, issued on April 18, 2017 and September 11, 2014, such as the definition of "personal" insurance policy and the introduction of caps on compensation payout for certain property damage claims. The Deposit Insurance and Policy Owners' Protection Schemes Act was amended pursuant to the Deposit Insurance and Policy Owners' Protection Schemes (Amendment) Act 2018 with effect from April 1, 2019. Following the amendments, the deposit insurance coverage limit was raised from S$50,000 to S$75,000.

Section 48AA of the Banking Act (as amended by the Banking (Amendment) Act 2016 (the "**Banking Amendment Act 2016**") with effect from November 30, 2018) requires banks to inform the MAS of any development that materially affects the bank adversely, and in the case of Singapore-incorporated banks, any development that materially affects the bank or its related entities adversely.

Banks in Singapore previously had to maintain separate accounting units for their domestic banking unit ("**DBU**") and their Asian currency unit ("**ACU**"). On November 4, 2019, the Banking (Amendment) Bill (B35/2019) was introduced in Parliament to (among other things) remove the DBU-ACU divide, and make consequential amendments to regulatory requirements following the removal of the DBU-ACU divide.

The MAS has previously noted that the removal of the DBU-ACU divide would require significant amendments to changes in banks' regulatory reporting systems. In this regard, the MAS issued an updated MAS Notice 610 on Submission of Statistics and Returns ("**MAS Notice 610**") on May 17, 2018 that was intended to take effect from October 1, 2020 providing a 30-month implementation timeline. However, the MAS Notice 610 dated May 17, 2018 was canceled and superseded by a new MAS Notice 610 issued on July 16, 2019 (last revised on August 18, 2020), which took effect from July 1, 2021.

Resolution Powers

Under the MAS Act and the Banking Act, the MAS has resolution powers in respect of Singapore licensed banks. Broadly speaking, the MAS has powers to (amongst other things) assume control of a bank, impose moratoriums, temporarily stay termination rights of counterparties, order compulsory transfers of business or shares and impose requirements relating to recovery and resolution planning.

The MAS has published a series of consultation papers on proposed enhancements to the resolution regime for financial institutions in Singapore. These consultation papers contain proposals to enhance the MAS' resolution powers in areas such as recovery and resolution planning, temporary stays on termination rights, statutory bail-in powers, cross-border recognition of resolution actions, creditor compensation framework and resolution funding arrangements. The MAS Amendment Act was gazetted on August 1, 2017 and incorporates the proposed legislative amendments to enhance the resolution regime.

The MAS Amendment Act has largely come into operation, and most of the relevant amendments relating to the resolution framework have come into force from October 29, 2018. To support the implementation of the changes, the Monetary Authority of Singapore (Resolution of Financial Institutions) Regulations 2018 (the "**RFI Regulations**") have been issued and also took effect from October 29, 2018. The MAS' resolution powers include among other things, statutory powers allowing the MAS to temporarily stay early termination rights (including set-off and netting rights) of counterparties to financial contracts entered into with a financial institution over which the MAS may exercise its resolution powers (which would include Singapore licensed banks), a statutory bail-in regime, cross-border recognition of resolution action, creditor safeguards and resolution funding.

Pursuant to the MAS Amendment Act, the MAS is empowered under Division 4A of Part 4B of the MAS Act to write down or convert a financial institution's debt into equity. The entities subject to the statutory bail-in powers of the MAS are presently limited to Singapore-incorporated banks and Singapore-incorporated bank holding companies (each a "**Division 4A financial institution**"). The classes of instruments subject to the bail-in powers of the MAS are provided under regulation 23 of the RFI Regulations and include:

(a) any equity instrument or other instrument that confers or represents a legal or beneficial ownership in the Division 4A financial institution except an ordinary share;

(b) any unsecured liability or other unsecured debt instrument that is subordinated to unsecured creditors' claims of the Division 4A financial institution that are not so subordinated; and

(c) any instrument that provides for a right for the instrument to be written down, canceled, modified, changed in form or converted into shares or another instrument of ownership, when a specified event occurs,

but do not include any instrument issued before November 29, 2018, or a derivatives contract as defined in regulation 9(2) of the RFI Regulations.

In the event of bail-in, all shareholders' voting rights on matters which require shareholders' approval will be suspended until the Minister has published a notice in the Gazette that the moratorium ceases to apply. In respect of any person who becomes a significant shareholder (i.e. if they have reached the relevant shareholding thresholds) as a result of the bail-in, the Minister may serve a written notice on that person if:

(a) the MAS is not satisfied that:

  (i) the person is, in accordance with the Guidelines on Fit and Proper Criteria, a fit and proper person to be a significant shareholder; and

  (ii) having regard to the likely influence of the person on it, the Division 4A financial institution or an entity established or incorporated to do one or both of the following: (A) temporarily hold and manage the assets and liabilities of the Division 4A financial institution; and/or (B) do any act for the orderly resolution of the Division 4A financial institution ("**resulting financial institution**") will or will continue to conduct its business prudently and comply with the provisions of the MAS Act and the relevant Act applicable to it; or

(b) the Minister is not satisfied that:

  (i) in a case where the Division 4A financial institution or resulting financial institution is a bank incorporated in Singapore, it is in the national interest for the person to remain a significant shareholder of the Division 4A financial institution or resulting financial institution, as the case may be; or

  (ii) in any other case, it is in the public interest for the person to remain a significant shareholder of the Division 4A financial institution or resulting financial institution, as the case may be.

Where the Minister has served such a notice, then, until the person has disposed of or transferred the shares specified in the notice and in accordance with the notice:

(i) no voting rights are exercisable in respect of the specified shares except with the permission of the Minister, whether or not a notice under section 77(2) is published that the provision has ceased to apply;

(ii) no shares of the Division 4A financial institution or resulting financial institution (as the case may be) may be issued or offered (whether by way of rights, bonus or otherwise) in respect of the specified shares except with the permission of the Minister; and

(iii) except in a liquidation of the Division 4A financial institution or resulting financial institution (as the case may be), the Division 4A financial institution or resulting financial institution may not make any payment (whether by way of dividends or otherwise) in respect of the specified shares except with the permission of the Minister.

This will ensure that only fit and proper persons can exercise voting rights attached to significant stakes in the financial institution. When exercising its bail-in powers, the MAS must have regard to the desirability of giving each pre-resolution creditor or pre-resolution shareholder of the Division 4A financial institution the priority and treatment the pre-resolution creditor or pre-resolution shareholder would have enjoyed had the Division 4A financial institution been wound up.

In addition, a Division 4A financial institution is also required to insert contractual bail-in clauses into instruments which fall within the scope of the MAS' statutory bail-in powers but which are governed by foreign laws, to the effect that the parties to the contract agree that the instrument may be the subject of the MAS' bail-in powers.

The amendments effected under the MAS Amendment Act empower the MAS to subject a bank to recovery and resolution planning requirements by issuing a direction under section 43(1) of the MAS Act to the bank (a "**notified bank**"). A notified bank must comply with the recovery and resolution planning requirements under MAS Notice 654 on Recovery and Resolution Planning which was issued on January 30, 2019, including the requirement to prepare, review and keep up-to-date a recovery plan that sets out a framework of recovery triggers (i.e. points at which appropriate recovery options may be taken) and an escalation process upon the occurrence of a trigger event, among other things.

On November 1, 2021, a new regulation 27A of the RFI Regulations took effect. Under regulation 27A of the RFI Regulations, a "qualifying pertinent financial institution" ("**QPFI**") and its subsidiaries will be required to include enforceable provisions in financial contracts governed by foreign law which contain termination rights to ensure that the exercise of the termination rights for such contracts will be subject to MAS' temporary stay powers under sections 83 and 84 of the MAS Act. A QPFI is defined as a bank that is incorporated in Singapore and to which a direction has been issued under section 43(1) of the MAS Act. A three-year transitional period has been provided from November 1, 2021 for QPFIs to implement the contractual recognition requirement.

Existing safeguards in connection with compulsory transfer of business during resolution, have also be extended to reverse and onward transfers of business with effect from November 1, 2021.

Examinations and Reporting Arrangements for Banks

The MAS conducts on-site examinations of banks. Banks are also subject to annual audit by an external auditor approved by the MAS, who, aside from the annual balance sheet and profit and loss account must report to the MAS immediately if in the course of the performance of his duties as an auditor of the bank, he is satisfied that: (a) there has been a serious breach or non-observance of the provisions of the Banking Act or that otherwise a criminal offense involving fraud or dishonesty has been committed; (b) in the case of a bank incorporated in Singapore, losses have been incurred which reduce the capital funds of the bank by 50%; (c) serious irregularities have occurred, including irregularities that jeopardize the security of the creditors; (d) he is unable to confirm that the claims of creditors are still covered by the assets; or (e) any development has occurred or is likely to occur which has materially and adversely affected, or is likely to materially and adversely affect, the financial soundness of the bank.

In the February 7, 2019 Banking Act Consultation Paper, as a consequence of the impending removal of the DBU-ACU divide, the MAS has proposed to introduce a new reporting benchmark wherein the auditor must report to the MAS immediately if he becomes aware of any development that has occurred or is likely to occur which he has reasonable grounds to believe has materially affected adversely, or is likely to materially affect adversely, the financial soundness of the bank. With the new reporting benchmark, limb (b) above would no longer apply to all banks, but only to banks incorporated in Singapore.

The MAS has discontinued the mandatory audit firm rotation policy for local banks. On July 17, 2018, the MAS canceled MAS Notice 615 on Appointment of Auditors ("**MAS Notice 615**") dated March 27, 2002 and issued a new MAS Notice 615 (which took effect on the July 18, 2018) pursuant to which banks incorporated and headquartered in Singapore will have to conduct a public tender for the reappointment of an auditor who has been appointed for a period of ten or more consecutive financial years following the last conduct of a public tender. The implementation timeline will be the financial year ending December 31, 2020 for banks with incumbent auditors for

more than ten consecutive years; and the financial year ending December 31, 2022 or ten years after the commencement of the audit engagement, whichever is later, for banks with incumbent auditors for up to ten consecutive years as of December 31, 2017.

Under section 58 of the Banking Act (as amended by the Banking Amendment Act 2016 with effect from November 30, 2018) the MAS is empowered to direct banks to remove their external auditors if the MAS is not satisfied with the performance of any duty by the auditors of those banks.

All banks in Singapore are required to submit periodic statistical returns, financial reports and auditors' reports to the MAS, including returns covering minimum cash balances and liquidity returns, statements of assets and liabilities and total foreign exchange business transacted.

The MAS may also require ad hoc reports to be submitted.

Inspection and Investigative Powers

The MAS' inspection and investigative powers are set out under section 43 to section 44A of the Banking Act which allow the MAS to, under conditions of secrecy: (a) inspect the books of each bank in Singapore and of any branch, agency or office outside Singapore opened by a bank incorporated in Singapore; (b) inspect the books of each subsidiary incorporated in Singapore of a bank incorporated in Singapore, where the subsidiary is not regulated or licensed by the MAS under any other Act; and (c) investigate the books of any bank in Singapore if the MAS has reason to believe that the bank is carrying on its business in a manner likely to be detrimental to the interests of its depositors and other creditors, has insufficient assets to cover its liabilities to the public or is contravening the provisions of the Banking Act.

On July 2, 2021, the MAS published the Consultation Paper on Proposed Amendments to MAS' Investigative and Other Powers under the Various Acts proposing amendments under the Financial Institutions (Miscellaneous Amendments) Bill to various pieces of legislation including the Banking Act. The proposals aim to enhance the MAS' evidence-gathering powers and to facilitate greater inter-agency coordination. Amongst the proposed amendments to the Banking Act include according the MAS the power to require any person to provide information for the purposes of investigation, requiring any person to appear for examination, allowing the MAS to enter premises without warrant and be able to transfer evidence between the MAS and other agencies.

Directors and Executive Officers of Banks

A bank incorporated in Singapore must not permit a person who is subject to certain circumstances set out in Section 54(1) of the Banking Act (for example where the person is an undischarged bankrupt, whether in Singapore or elsewhere) to act as its executive officer or director without the prior written consent of the MAS. The MAS may also direct the removal of a director of a bank in Singapore which is incorporated in Singapore or executive officer of a bank in Singapore if the MAS is satisfied that the director or executive officer (as the case may be) is not a fit and proper person under Section 54(2) of the Banking Act – this has been aligned with the criteria for approving their appointment. Banks are required under Section 53A of the Banking Act to notify the MAS of any development that could affect the fitness and propriety of their key appointment holders. Similar provisions apply to financial holding companies by virtue of the MAS Act where the MAS may direct the removal of a director of a financial holding company which is established or incorporated in Singapore or executive officer a financial holding company on the basis of three grounds set out in section 40(2) of the MAS Act, (one of which is where the MAS is satisfied that the executive officer or director wilfully contravened or wilfully caused the bank to contravene any provision of the MAS Act) where the MAS thinks that such removal is necessary in the public interest or for the protection of persons that the MAS has prescribed for the purposes of section 40(2) of the MAS Act.

Financial Benchmarks

The SFA Amendment Act was gazetted on February 16, 2017, and came into force on October 8, 2018. Among other things, the SFA Amendment Act introduced a legislative framework for the regulation of financial benchmarks through a new Part 6AA in the SFA. The SFA Amendment Act (a) introduces specific criminal and civil sanctions under the SFA for manipulation of any financial benchmark (including SIBOR, SOR and Foreign Exchange spot benchmarks), and (b) subjects the setting of key financial benchmarks (which are designated as "designated benchmarks" by the MAS) to regulatory oversight. Benchmark administrators and benchmark submitters of designated benchmarks are subject to regulatory requirements under the SFA.

The Securities and Futures (Financial Benchmark) Regulations 2018 were issued on October 8, 2018, and set out the admission, ongoing conduct and other requirements which apply to benchmark administrators and benchmark submitters of designated benchmarks. Pursuant to the Securities and Futures (Designated Benchmarks) Order 2018, the MAS designated the SIBOR and SOR as designated benchmarks with effect from October 8, 2018.

On August 30, 2019, the MAS announced the establishment of SC-STS to oversee an industry-wide benchmark transition from SOR to SORA. In addition, the ABS and the SFEMC released a consultation report "Roadmap for Transition of Interest Rate Benchmarks: From SOR to SORA" identifying SORA as the alternative interest rate benchmark to SOR, envisaging a phased transition over two years. On March 19, 2020, the SC-STS released its response to feedback received on the consultation report in which the SC-STS noted that overall, there was broad support for the proposed transition roadmap and approach set out in the consultation report. In its response, the SC-STS also outlined its key priorities and updated transition roadmap to achieve a smooth transition from SOR to SORA as the new interest rate benchmark for the SGD cash and derivatives markets.

Framework for Systemically Important Banks in Singapore

OCBC was designated as a D-SIB in Singapore on April 30, 2015. The framework for D-SIBs is set out in the MAS' information paper on the MAS' Framework for Impact and Risk Assessment of Financial Institutions (revised in September 2015), which builds on the proposals set out in the MAS Consultation Paper on the Proposed Framework for Systemically Important Banks in Singapore dated June 25, 2014. Broadly, D-SIBs will be subject to more intensive supervision by the MAS than banks which are not so designated. In particular, there is no assurance that the MAS will not impose increased capital adequacy or liquidity requirements on D-SIBs, which may have an adverse effect on OCBC's return on capital and profitability.

Supervision by Other Agencies

Our overseas operations are also supervised by the regulatory agencies in their respective jurisdictions.

Apart from being supervised by the MAS, our stockbroking and futures trading arms are also supervised by the Singapore Exchange Limited.

Singapore Insurance Industry

The MAS regulates and supervises licensed insurers in Singapore. The insurance regulatory framework in Singapore consists mainly of the Insurance Act 1966 of Singapore (the "**Insurance Act**") and its related regulations, as well as the relevant notices, guidelines, circulars and practice notes issued by the MAS. With effect from April 18, 2013, the Insurance Act was amended by the Insurance (Amendment) Act 2013 (No. 11 of 2013) to, *inter alia*, enhance the powers of the MAS under the Insurance Act to meet its supervisory objectives, to improve the clarity or consistency of existing policy, to align the Insurance Act with other MAS-administered statutes and to repeal certain provisions which have become obsolete. This section sets out certain key regulations applicable to licensed insurers in the conduct of their insurance business, and does not address the regulatory framework applicable to insurance intermediaries (whether or not agents or employees of licensed insurers) whether in respect of life or non-life policies.

The holding company of a Singapore licensed insurer could also be subject to regulation if required to be approved as a financial holding company under Section 28 of the MAS Act. The requirements pertaining to financial holding companies will be enhanced when the Financial Holding Companies Act 2013 ("**FHC Act**") becomes effective. The FHC Act was passed by Parliament on April 8, 2013 and published on April 11, 2014. The FHC Act was introduced to establish the regulatory framework for designated Singapore-incorporated financial holding companies with one or more Singapore incorporated bank or insurance subsidiaries. The salient provisions in the FHC Act relate to:

(a) a requirement to provide the MAS with information requested by the MAS for supervision purposes;

(b) restrictions on the use of the name, logo and trademark of a designated financial holding company;

(c) restrictions on the activities of a designated financial holding company;

(d) restrictions on the shareholding and control of a designated financial holding company;

(e) limits on exposures and investments;

(f) minimum asset requirements;

(g) minimum capital and capital adequacy requirements;

(h) leverage ratio requirements;

(i) supervision and reporting requirements; and

(j) approval requirements for the appointment of directors and chief executives.

Some of these requirements remain to be specified in subsidiary legislation or notices to be issued by the MAS, for instance, minimum liquid assets, capital adequacy and leverage ratio.

The FHC Act provides for transition periods for designated financial holding companies to comply with various provisions in the specific provisions and a general power for the Minister for Finance to prescribe by regulations, for a period of two years from the commencement of operation of any provision, transitional provisions consequent on the enactment of that provision.

Great Eastern Holdings is approved as a Financial Holding Company under Section 28 of the MAS Act and is subject to requirements imposed by the MAS. The FHC Act will be applicable to Great Eastern Holdings when it comes into operation. Great Eastern Holdings' subsidiary, Great Eastern Life is incorporated with limited liability in Singapore and is a direct insurer licensed to carry on life insurance business under the Insurance Act. Great Eastern Holdings' subsidiary GEG is incorporated with limited liability in Singapore and is a licensed direct insurer under the Insurance Act and holds a composite license to carry on both life insurance business and general insurance business. GEG currently only sells general insurance.

Great Eastern Life is included by the Central Provident Fund ("**CPF**") Board as an insurer under the CPF Investment Scheme, where CPF monies may, subject to certain conditions, be used by CPF members to purchase investment-linked insurance policies issued by Great Eastern Life if such policies are also included under the CPF Investment Scheme.

Exempt Financial Adviser Status of Great Eastern Life

As a company licensed under the Insurance Act, Great Eastern Life is an exempt financial adviser under the FAA in relation to (a) advising others (other than advising on corporate finance within the meaning of the SFA) either directly or through publications or writings, and whether in electronic, print or other form, concerning life policies, (b) advising others by issuing or promulgating research analyses or research reports, whether in electronic, print or other form, concerning life policies and (c) arranging of any contract of insurance in respect of life policies. As an exempt financial adviser, Great Eastern Life is subject to certain conduct of business and other requirements applicable under the FAA and its related regulations, notices, guidelines, practice notes, circulars and information papers.

Supervisory Powers of the Monetary Authority of Singapore

Under the Insurance Act, the MAS has, among other things, the power to impose conditions on a licensed insurer and may add to, vary or revoke any existing conditions of the license. In addition, the MAS may issue such directions as it may consider necessary for carrying into effect the objects of the Insurance Act and may at any time vary, rescind or revoke any such directions. The MAS may also issue such directions to an insurer as it may consider necessary or assume control of and manage such of the business of the insurer as it may determine, or appoint one or more persons as statutory manager to do so, where, among other things, it is satisfied that the affairs of the insurer are being conducted in a manner likely to be detrimental to the public interest or the interests of the policy owners or prejudicial to the interests of the insurer. The MAS is also empowered to cancel the license of an insurer on certain grounds.

Special Financial Relief Program

In response to the COVID-19 outbreak, the MAS, LIA and GIA introduced a Special Financial Relief Program for individuals and small and medium enterprises. Amongst other things, the relief measures allow individuals with life and health insurance policies with a policy renewal or premium due date between April 1 and September 30, 2020 to apply to their insurer to defer premium payments for up to six months while maintaining insurance coverage during this period, and individuals with general insurance policies, such as for property and vehicles, to apply to their general insurance company for installment payment plans while maintaining insurance protection.

In connection with these measures, MAS has released updates to certain MAS notices, such as MAS Notice 115, MAS Notice 115B, MAS Notice 118 and MAS Notice 128A.

The Special Financial Relief Program concluded on December 31, 2021.

Capital Requirements

A licensed insurer is required at all times to maintain a minimum level of paid-up ordinary share capital. A licensed insurer incorporated in Singapore must obtain the prior written approval of the MAS to reduce its paid-up ordinary share capital or redeem any preference share. Further, a licensed insurer which is incorporated in Singapore is required to notify the MAS of its intention to issue any preference share or certain instruments prior to the date of issue of the preference share or instrument.

The MAS issued the RBC 2 Review on June 22, 2012 followed by a second and third consultation paper on March 26, 2014 and July 15, 2016 respectively. First introduced in 2004, the risk-based capital framework:

(a) adopts a risk-focused approach to assessing capital adequacy and seeks to reflect the relevant risks that insurers face;

(b) prescribes minimum capital which serves as a buffer to absorb losses; and

(c) provides clearer information on the financial strength of insurers and facilitates early and effective intervention by MAS, where necessary.

The MAS has stated that the RBC 2 Review is not intended to result in a significant overhaul to the existing framework. Instead, it seeks to improve the comprehensiveness of the risk coverage and the risk sensitivity of the framework as well as define more specifically the MAS' supervisory approach with respect to the solvency intervention levels. The MAS has also stated that insurers in Singapore are well-capitalized and the objective of RBC 2 is therefore not to raise the industry's overall regulatory capital requirements, but to ensure that the framework for assessing capital adequacy is more aligned to an insurer's business activities and risk profiles. The MAS will work with the industry on the implementation date later after the design is more firmed up. The MAS has noted from previous consultations that the industry has indicated that it would need at least two years after the finalization of the framework to implement RBC 2 and has stated that the industry will be given sufficient time to prepare for the implementation of RBC 2. On February 28, 2020, the MAS concluded the RBC 2 Review by issuing the Insurance (Valuation and Capital) (Amendment) Regulations 2020 (which amend the existing Insurance (Valuation and Capital) Regulations 2004) and the new MAS Notice 133 on Valuation and Capital Framework for Insurers ("**MAS Notice 133**"). The Insurance (Valuation and Capital) (Amendment) Regulations 2020 and MAS Notice 133, which specify fund solvency requirements and capital adequacy requirements for a licensed insurer, came into effect on March 31, 2020.

According to the Insurance (Valuation and Capital) Regulations 2004 and MAS Notice 133, a licensed insurer must at all times maintain its fund solvency requirement at the adjusted fund level and the capital adequacy requirement at the company level.

An adjusted fund is:

(a) a participating fund established and maintained by a licensed insurer under the Insurance Act that relates to Singapore policies;

(b) a participating fund established and maintained by a licensed insurer under the Insurance Act that relates to offshore policies;

(c) the aggregate of the following insurance funds (if any) established and maintained by a licensed insurer under the Insurance Act that relate to Singapore policies:

    (i) a non-participating fund;

    (ii) an investment-linked fund;

    (iii) a general fund; or

(d) the aggregate of the following insurance funds (if any) established and maintained by a licensed insurer under the Insurance Act that relate to offshore policies:

    (i) a non-participating fund;

    (ii) an investment-linked fund;

    (iii) a general fund.

Under regulation 4(1) of the Insurance (Valuation and Capital) Regulations 2004 and MAS Notice 133, the fund solvency requirement in respect of an insurance fund established and maintained by a licensed insurer under the Insurance Act is that the total assets of the fund must not at any time be less than the total liabilities of the fund. The fund solvency requirement of an adjusted fund is that the financial resources of the adjusted fund must not at any time be less than:

(a) the amount of the total risk requirement of the adjusted fund at the higher solvency intervention level; and

(b) the amount of the total risk requirement of the adjusted fund at the lower solvency intervention level.

A licensed insurer is also required always to satisfy its capital adequacy requirement, which is that its financial resources must not at any time be less than:

(a) the higher of the following:

    (i) the amount of the total risk requirement of the licensed insurer at the higher solvency intervention level;

    (ii) S$5 million; and

(b) the higher of the following:

    (i) the amount of the total risk requirement of the licensed insurer at the lower solvency intervention level;

    (ii) S$5 million.

A licensed insurer must also ensure that at all times: (a) where it is an insurer incorporated in Singapore, the Common Equity Tier 1 ("**CET1**") Capital ratio which is determined as the ratio of the CET1 Capital over the sum of total risk requirements (excluding the risk requirements of participating funds) is not less than 60%; and (b) the Tier 1 Capital ratio which is determined as the ratio of the Tier 1 Capital over the sum of total risk requirements (excluding the risk requirements of participating funds) is not less than 80%.

The fund solvency requirement and capital adequacy requirement must be met at two supervisory solvency intervention levels, namely the higher solvency intervention level and the lower solvency intervention level. Each of the "financial resources" of an insurer and insurance fund, the "higher solvency intervention level", "lower solvency intervention level" and the "total risk requirement" is determined, and assets and liabilities are valued, in accordance with the requirements of the Insurance (Valuation and Capital) Regulations 2004, the MAS Notice 133 on Valuation and Capital Framework for Insurers, the MAS Guidelines on the Preparation of Actuarial Investigation Report and the MAS Guidelines on Use of Internal Models for Liability and Capital Requirements for Life Insurance Products Containing Investment Guarantees with Non-Linear Payouts, where applicable.

A licensed insurer is required to immediately notify the MAS when it becomes aware that the fund solvency requirement or the capital adequacy requirement is not satisfied or is not likely to be satisfied in accordance with section 17(1) of the Insurance Act. The MAS has the authority to direct that the insurer satisfy fund solvency or capital adequacy requirements other than those that the insurer is required to maintain under the Insurance Act if the MAS considers it appropriate. The MAS also has the power to impose directions on the insurer, and direct the insurer to carry on its business in such manner and in accordance with such conditions as imposed by the MAS in the event that it is notified of any failure or likely failure, or is aware of any inability, of the insurer to comply with the fund solvency or capital adequacy requirement described above.

The MAS also has the general power to impose asset maintenance requirements.

Policy Owners' Protection Scheme

The Singapore Deposit Insurance Corporation Limited ("**SDIC**") administers the Policy Owners' Protection Scheme (the "**PPF Scheme**") in accordance with the Deposit Insurance and Policy Owners' Protection Schemes Act 2011 for the purposes of compensating (in part or whole) or otherwise assisting or protecting insured policy owners and beneficiaries in respect of the insured policies issued by PPF Scheme members and for securing the continuity of insurance for insured policy owners as far as reasonably practicable. PPF Scheme members essentially comprise direct insurers licensed to carry on life business under the Insurance Act (other than captive insurers) and direct insurers licensed to carry on general business under the Insurance Act (other than captive insurers or specialist insurers), in each case, which are not exempted from the requirement to be a PPF Scheme member.

There are two funds established under the PPF Scheme, namely the Policy Owners' Protection Life Fund (the "**PPF Life Fund**") to cover insured policies comprised in insurance funds established and maintained under Section 16 of the Insurance Act by direct insurers licensed to carry on life business and the Policy Owners' Protection General Fund (the "**PPF General Fund**") to cover insured policies comprised in insurance funds established and maintained under Section 16 of the Insurance Act by direct insurers licensed to carry on general business.

As PPF Scheme members, each of Great Eastern Life and GEG is required to pay a levy for any premium year or part thereof in respect of the insured policies issued by it. The levy rates for the purposes of computing the levies payable by PPF Scheme members are assessed and determined by the MAS. Where the MAS is of the opinion that there are insufficient moneys in the PPF Life Fund or the PPF General Fund, as the case may be, to pay any compensation due to insured policy owners or beneficiaries, or to fund any transfer or run-off of the insurance business of any failed PPF Scheme member under the Deposit Insurance and Policy Owners' Protection Schemes Act, the MAS may, with the concurrence of SDIC, require PPF Scheme members to pay additional levies for any premium year or part thereof and determine the levy rate(s) for the purposes of computing the additional levies.

Asset Management

MAS Notice 125 on Investments of Insurers sets out the basic principles that govern the oversight of investment activities of an insurer and the investments of its insurance funds, and in the case of an insurer that is incorporated or established in Singapore, the investments of both its insurance funds and its shareholders' funds. It contains requirements relating to, among other things, the oversight by the board of directors and senior management, the various reports to be made by the investment committee to the board of directors at the prescribed frequency, duties of the investment committee, asset-liability management and permitted derivatives activities.

MAS Notice 105 on Insurer's Appointment of Custodians, requires a licensed insurer to ensure that every custodian and, where applicable, sub-custodian, which holds any asset of its insurance fund established and maintained under section 16 of the Insurance Act ("**insurance fund asset**"), is licensed, approved, registered or otherwise regulated for its business or activity of providing custodial services by the relevant authority in the jurisdiction where the respective custody account or sub-custody account is maintained. A licensed insurer must also ensure:

(a) that insurance fund assets held by a custodian or sub-custodian, as the case may be, are kept separate from the assets of the custodian or the sub-custodian, respectively;

(b) that the extent of the custodian's liability in the event of any loss caused by fraud, wilfull default or negligence on the part of the custodian, its sub-custodians or its agents is agreed upon in writing with the insurer;

(c) that any material or systemic breach of the custody agreement between the custodian and the insurer must be brought to the insurer's attention as soon as possible; and

(d) that, except as agreed in writing with the insurer, a custodian or a sub-custodian, with whom the insurance fund assets are held in a custody account or subaccount, does not:

    (i) withdraw any of the insurance fund assets; or

    (ii) take any charge, mortgage, lien or other encumbrance over, or in relation to any of the insurance fund assets.

The MAS has in the Consultation Paper on Proposed Revisions to Enterprise Risk Management, Investment and Public Disclosure Requirements for Insurers published on February 19, 2021 proposed amendments to Appendix A of MAS Notice 125 which sets out the requirement for the board-approved written investment policy of an insurer to include limits for the allocation of assets by geographical area, markets, sectors, counterparties and currency. MAS proposes to require that limits for the allocation of assets by type of asset and credit rating be additionally established in the board-approved written investment policy.

MAS Notice 320 on Management of Participating Life Insurance Business ("**MAS Notice 320**") requires a direct life insurer which has established or will be establishing a participating fund to put in place an internal governance policy on the management of its participating life insurance business. The insurer must, among other things, ensure that the participating fund is managed in accordance with the rules and guiding principles set out in the internal governance policy.

Under section 34 of the Insurance Act, no licensed insurer that is established or incorporated in Singapore shall acquire or hold, directly or indirectly, a major stake in any corporation without the prior approval of the MAS and any approval granted by the MAS may be subject to such conditions as determined by the MAS, including any condition relating to the operations or activities of the corporation.

Separate Insurance Funds

Every licensed insurer is required to establish and maintain a separate insurance fund (a) for each class of insurance business carried on by the insurer that (i) relates to Singapore policies and (ii) relates to offshore policies; (b) in the case of a direct insurer licensed to carry on life insurance business, for its investment-linked policies and for its non-investment-linked policies; and (c) if, in the case of a direct insurer licensed to carry on life insurance business, no part of the surplus of assets over liabilities from the insurer's non-participating policies is allocated by the insurer by way of bonus to its participating policies, in respect of its non-investment-linked policies (i) for its participating policies and (ii) for its non-participating policies.

MAS Notice 101 on Maintenance of Insurance Funds and MAS Guidelines on Implementation of Insurance Fund Concept provide further guidance and requirements on, among other things, the establishment and maintenance of insurance funds and the segregation of the assets of licensed insurers in Singapore as required under the Insurance Act. The Insurance Act also prescribes requirements relating to, among other things, withdrawals from the insurance funds, and insurance funds consisting wholly or partly of participating policies.

All receipts of the insurer properly attributable to the business to which an insurance fund relates (including the income of the fund) must be paid into that fund, and the assets in the insurance fund shall apply only to meet such part of the insurer's liabilities and expenses as is properly so attributable.

Reinsurance

MAS Notice 114 on Reinsurance Management sets forth the mandatory requirement for direct insurers to submit annual returns pertaining to their outward reinsurance arrangements and exposures to their top 10 reinsurance counterparties as well as the guiding principles relating to the oversight of the reinsurance management process of insurers (which includes the principle that the board of directors and senior management of an insurer should develop, implement and maintain a reinsurance management strategy appropriate to the operations of the insurer to ensure that the insurer has sufficient resources to meet obligations as they fall due), the classification of a contract as a reinsurance contract, and the assessment of significant insurance risk transfer. In addition, the MAS has issued MAS Guidelines on Risk Management Practices for Insurance Business – Core Activities, which provide further guidance on risk management practices in general, relating to, among other things, reinsurance management.

Regulation of Products

A direct insurer licensed to carry on life business may only issue a life policy or a long-term accident and health policy if the premium chargeable under the policy is in accordance with rates fixed with the approval of an appointed actuary or, where no rates have been so fixed, is a premium approved by the actuary.

A direct life insurer is required under MAS Notice 302 on Product Development and Pricing ("**MAS Notice 302**") to exercise prudent management oversight on the pricing and development of insurance products and investment-linked policy sub-funds, and to, before offering certain new products, either obtain the approval of, or notify, the MAS, as the case may be. Such request for approval or notification shall include information on, among other things, the tables of premium rates. MAS Notice 302 also sets forth prohibited payout features and requirements relating to disclosure to policyholders and persons entitled to payment of the policy moneys under a policy who have exercised a certain settlement option. MAS Notice 302 has been amended to take into account the approval requirements which apply to the Direct Purchase Insurance Products ("**DPIs**"). In relation to DPIs, the MAS issued MAS Notice 321 on Direct Purchase Insurance Products ("**MAS Notice 321**") on May 13, 2016 which imposes specific obligations on a direct life

insurer in respect of DPIs and also requires insurers to obtain written approval from the MAS before offering any new or re-priced DPI for sale to the public. On March 19, 2021, amendments were made to MAS Notice 302 and 321 to replace the hardcopy submission requirements for new or revised products, including DPIs with electronic submission (via email) requirements.

In addition, the MAS has issued the MAS Guidelines on Risk Management Practices for Insurance Business – Core Activities, which provide further guidance on risk management practices in general, relating to, among other things, product development and pricing.

There are also mandatory requirements and non-mandatory standards which would apply under MAS Notice 307 on Investment-Linked Policies to investment-linked policies relating to, among other things, disclosure, investment guidelines, borrowing limits and operational practices. Licensed insurers are required to provide for a free-look period for life policies, and accident and health policies with a duration of one year or more. On June 28, 2021, amendments were made to MAS Notice 307 on the Investment-Linked Policy's ("**ILP**") fees and charges and came into effect on July 1, 2021. For any ILP that is issued on or after October 8, 2021, an insurer shall:

(a) consolidate the fees and charges, other than charges for insurance coverage, that are imposed upfront, where such fees or charges are deducted from premiums that are paid on the ILP or deducted via a cancelation of units in an ILP sub-fund ("**upfront deductions**");

(b) disclose the upfront deductions as a single charge, and term it as a "premium charge" in any such disclosure that the insurer is required by the Authority to make or when referring to it in an advertisement or any other communication made to policyholders; and

(c) not use the term "premium allocation rate" in any such disclosure that the insurer is required by the MAS to make or when referring to it in any advertisement.

Market Conduct Standards

MAS Notice 306 on Market Conduct Standards for Life Insurers Providing Financial Advisory Services as Defined under the Financial Advisers Act ("**MAS Notice 306**") imposes certain requirements on direct life insurers which provide financial advisory services under the FAA relating to, among other things, training and competency requirements, prohibition against subsidized loans to representatives out of life insurance funds, establishing a compliance unit, taking disciplinary action against representatives for misconduct, and allocation/non-allocation of income and expenses to the life insurance funds. On February 19, 2021, an amendment was made to MAS Notice 306 such that an insurer is no longer required to submit information on its provision of financial advisory services annually to the MAS, with effect from February 22, 2021. The MAS Notice 318 on Market Conduct Standards for Direct Life Insurer as a Product Provider ("**MAS Notice 318**") also imposes certain requirements on direct life insurers as product providers of life policies relating to, among other things, standards of disclosure and restrictions on the sales process and the replacement of life policies.

MAS Notice 211 on Minimum and Best Practice Training and Competency Standards for Direct General Insurers requires direct general insurers to only enter into insurance contracts arranged by agents or staff with requisite registration and minimum qualification requirements (unless exemptions apply), and requires direct general insurers to ensure that staff of certain agents who sell or provide sales advice on the insurers' products are adequately trained and that front-end operatives meet the qualification requirements (unless exemptions apply) before they are allowed to provide sales advice on or sell general insurance products or handle claims. MAS Notice 211 was also revised as of July 6, 2015 to (among other things) clarify that the requirements similarly apply to outsourced claims handlers, with the amendments taking effect on July 20, 2015. MAS Notice 211 was further revised as of October 28, 2021 to (among other things) exempt trade specific agents from minimum academic qualifications requirement and to include additional accepted qualifications in Annex 1 of the Notice.

Non-mandatory best practice standards apply to direct general insurers to implement training and competency plans for front-end operatives. The MAS Guidelines on Market Conduct Standards and Service Standards for Direct General Insurers set out the standards of conduct expected of direct general insurers as product providers of insurance policies.

In respect of health insurance products, direct insurers must ensure, among other things, that any individual employed by them or who acts as their insurance agent or appointed representative pass the examination requirements specified in MAS Notice 117 on Training and Competency Requirement: Health Insurance Module (unless exemptions apply) and are prohibited from accepting business in respect of any health insurance product from any individual whom they employ or who acts as their insurance agent and who has not met such requirements. The MAS Notice 120 on Disclosure and Advisory Process Requirements for Accident and Health Insurance Products sets out both mandatory requirements and best practice standards on the disclosure of information and provision of advice to insureds for accident and health policies and life policies that provide accident and health benefits. In 2015, the MAS reviewed the regulatory framework for accident and health insurance products and amended MAS Notices 117 and 120. The changes largely pertain to Medisave-approved Integrated Shield Plans ("**IPs**") but extend in part to all accident and health policies. The changes include enhanced disclosure requirements, stronger protection measures for policyholders, and improved quality of conduct of intermediaries selling accident and health insurance. Amendments were made to MAS Notice 120 to grant a temporary exemption of Paragraph 24A thereof (i.e. no closure of sale of any Medisave-approved policy over the telephone) for the period from April 13, 2020 to September 30, 2022.

MAS Notice 320 on Management of Participating Life Insurance Business requires a direct life insurer to comply with certain disclosure requirements for product summaries, and annual bonus updates, in relation to its participating policies. On November 16, 2020, MAS Notice 320 was amended to implement proposals relating to insurers' charging of expenses to the participating fund and to allow insurers to send its policy owner the annual bonus update in electronic form unless the policy owner specifically requests for hardcopy.

The Insurance (Remuneration) Regulations 2015, which came into force on January 1, 2016, set out certain requirements in connection with the payment of remuneration in relation to the provision of any financial advisory service in connection with any life policy, or the sale of any life policy following the provision of any financial advisory service.

The MAS implemented financial advisory industry review ("**FAIR**") initiatives such as a web aggregator, which allows consumers to compare life insurance products from various companies using a web portal, and direct channel purchase in April 2015. The re-issuance of MAS Notice 322 on Information to be Submitted Relating to the Web-Aggregator has come into effect on January 1, 2016, specifically detailing the information required to be submitted for the purposes of the web-aggregator.

Various industry codes of practice also apply to insurers, including codes/guidelines issued by the LIA and the GIA.

In addition, there are rules in the Insurance Act and the relevant regulations, notices, guidelines and circulars relating to the granting of loans, advances and credit facilities by insurers, which insurers have to comply with if they conduct such activities.

Corporate Governance

Direct insurers that are incorporated in Singapore are subject to the MAS Guidelines on Corporate Governance for Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are Incorporated in Singapore. These guidelines have been updated as of November 9, 2021, and provide guidance on good corporate governance practices that certain financial institutions, including direct insurers that are incorporated in Singapore, should observe in relation to their corporate governance (the "**2021 Guidelines**"). The MAS has incorporated the Code of Corporate Governance as last revised in 2018 into the 2021 Guidelines and shifted certain provisions in the previous guidelines (that was issued in 2013 and which has been superseded and replaced by the 2021 Guidelines) which it considers to be baseline expectations on corporate governance into the Insurance (Corporate Governance) Regulations 2013 for mandatory compliance. The 2021 Guidelines also include additional guidelines added by the MAS to take into account the unique characteristics of the business of insurance in light of the diverse and complex risks undertaken by financial institutions conducting insurance business and the responsibilities to policyholders. The guidelines that relate to disclosures are effective from January 1, 2022 and will apply to the annual reports covering financial years commencing from that date, with the bulk of the other guidelines becoming effective from April 1, 2022.

The Code of Corporate Governance was revised on August 6, 2018. The revised Code of Corporate Governance sets out, amongst other things, the principles that there should be (i) a clear division of responsibilities between the leadership of the board of directors and the executive responsibilities of a company's business, and no one individual has unfettered powers of decision-making and (ii) an appropriate level of independence and diversity of thought and background in the composition of the board of directors of the company, to enable it to make decisions in the best interests of the company. The revised Corporate Governance Code also requires the separation of the roles of Chairman and Chief Executive Officer.

In addition, all direct insurers which are incorporated in Singapore (other than marine mutual insurers) are subject to the Insurance (Corporate Governance) Regulations 2013. Among other things, these regulations require an insurer which is established or incorporated in Singapore and in the case of a:

(a) direct life insurer, whose latest annual audited statement of financial position shows that it has total assets of at least S$5 billion or its equivalent in any foreign currency;

(b) direct general insurer or a reinsurer, whose latest annual audited statement of profit and loss shows that it has gross premiums of at least S$500 million or its equivalent in any foreign currency in its insurance funds and Overseas (Branch) Operations (defined as the income and outgoings of the operations of all branches of the insurer located outside Singapore); and

(c) direct composite insurer, who satisfies the requirements in (a) above in respect of its total assets or in (b) above in respect of gross premiums for its general business,

(each a "**Tier 1 insurer**") to, subject to certain exceptions, have a board of directors comprising at least a majority of directors who are "independent directors", establish various committees with prescribed responsibilities, and obtain the MAS' prior approval for the appointment of the

members of the nominating committee, chief financial officer and chief risk officer. "Independent directors" are directors who are independent from any management and business relationship with the insurer and from any substantial shareholder of the insurer and who have not served on the board of directors of the insurer for a continuous period of nine years or longer. Great Eastern Life and GEG are both Tier 1 insurers.

The Insurance (Corporate Governance) Regulations 2013 will be updated to include provisions of corporate governance that are mandatory for compliance.

Asset and Liability Exposures

MAS Notice 122 on Asset & Liability Exposures for Insurers sets forth various asset and liability exposures reporting requirements and prescribes the form in which the relevant reports are to be made.

A licensed insurer is required to file, among other things, the following in their prescribed formats with the MAS (i) for each quarter, the breakdown of equity securities, breakdown of debt securities, breakdown of loans, breakdown of cash and deposits, breakdown of derivatives, turnover volume of derivatives, breakdown of foreign currency exposure for assets and liabilities and top 10 broker groups with the highest outstanding premiums due, and (ii) annually, the breakdown of assets managed by head office/parent/outsourced entity, breakdown of insurance exposure of Singapore Insurance General Fund, breakdown of insurance exposure of Offshore Insurance (Life and General) Fund and breakdown of assets held by custodian.

On November 5, 2021, the MAS issued a Consultation Paper on Proposed Changes to Notice 122 on Assets and Liabilities Exposures for Insurers and its Implementation proposing to remove certain reporting requirements on the Turnover Volume of Derivatives by Notional Principal Amount with a view to collect data on a risk proportionate basis, a restructuring in the manner which custodian information relating to equity, debt, loans, cash and deposits and derivatives are reported and the collection of additional information including those relating to the breakdown of underlying assets of collective investment schemes, investment-linked policies sub-funds, currency reserve and unit reserves of investment-linked business amongst others. The MAS has proposed that the enhanced data collected will be using a new platform called the Data Collection Gateway.

Risk Management and Fit and Proper Person

Broadly, the MAS has issued risk management guidelines applicable to insurers specifically and to financial institutions generally which would apply to licensed insurers.

MAS Notice 126 on Enterprise Risk Management ("**ERM**") for Insurers sets out ERM requirements and guidelines on how insurers are to identify and manage interdependencies between key risks, and how they are translated into management actions related to strategic and capital planning matters. On February 19, 2021, the MAS issued a Consultation Paper on Proposed Revisions to Enterprise Risk Management, Investment and Public Disclosure Requirements for Insurers proposing amendments to MAS Notice 126 to include new requirements for an insurer to identify and address concentration risk in its ERM framework, to perform stress testing on material counterparty exposures as part of the insurers' annual Own Risk and Solvency Assessment ("**ORSA**"), and to perform macroeconomic stress testing as part of their ORSA stress testing process. In addition, the MAS is proposing to introduce a requirement for insurers to conduct liquidity stress testing as part of ORSA and a requirement that insurers establish a liquidity contingency funding plan setting out the strategy for addressing liquidity shortfalls.

MAS Notice 127 on Technology Risk Management sets out requirements relating to technology risk management for licensed insurers. These include requirements for the insurer to have in place a framework and process to identify critical systems, to make all reasonable effort to maintain high availability for critical systems, to establish a recovery time objective of not more than four hours for each critical system, to notify the MAS of a system malfunction or IT security incident, which has a severe and widespread impact on the insurer's operations or materially impacts the insurer's service to its customers, to submit a root cause and impact analysis report to the MAS and to implement IT controls to protect customer information from unauthorized access or disclosure.

MAS Notice 132 on Cyber Hygiene sets out cyber security requirements on securing administrative accounts, applying security patching, establishing baseline security standards, deploying network security devices, implementing anti-malware measures and strengthening user authentication.

MAS Technology Risk Management Guidelines ("**TRM Guidelines**") set out risk management principles and best practice standards to guide financial institutions (including licensed insurers) in respect of (a) establishing a sound and robust technology risk management framework, and (b) maintaining cyber resilience. The TRM Guidelines were revised in January 2021 to include new guidance on effective cyber surveillance, secure software development, adversarial attack simulation exercise, and management of cyber risks posed by emerging technologies. It also provides additional guidance on the roles and responsibilities of the board of directors and senior management, including the requirement that the board of directors and senior management to have members with the knowledge to understand and manage technology risks, which include risks posed by cyber threats.

Under the MAS Guidelines on Fit and Proper Criteria, the following persons, among others, are required to be "fit and proper" persons: a substantial shareholder of a licensed insurer, a principal officer or director of a licensed insurer, a person having effective control of a licensed insurer, a person having control of a licensed insurer, an appointed actuary, a certifying actuary, and an exempt financial institution and its representatives in relation to activities regulated by the MAS under the FAA. Broadly, the MAS will take into account, among other things, the following criteria in considering whether a person is fit and proper: (i) honesty, integrity and reputation; (ii) competence and capability; and (iii) financial soundness.

Appointment of Chairman, Directors and Key Executive Persons

A licensed insurer established or incorporated in Singapore must, prior to appointing a person as its chairman, director or key executive person (such persons include the chief executive, deputy chief executive, appointed actuary, certifying actuary, chief financial officer of a Tier 1 insurer, chief risk officer of a Tier 1 insurer and such other person holding an appointment in the licensed insurer as may be prescribed), satisfy the MAS that the person is a fit and proper person to be so appointed and obtain the MAS' approval for the appointment. Without the prior written consent of the MAS, a licensed insurer which is established or incorporated in Singapore must not permit a person to act as its executive officer or director if the person, among other things, has been convicted, whether in Singapore or elsewhere, of an offense involving fraud or dishonesty, is an undischarged bankrupt, or had a prohibition order under the Insurance Act of Singapore, FAA or SFA made against him that remains in force, whether in Singapore or elsewhere.

MAS Notice 106 on Appointment of Director, Chairman and Key Executive Person sets out mandatory requirements and guidelines relating to the appointment of a director, chairman and key executive person of a licensed insurer. In addition, MAS Notice 106 prescribes the application form for the appointment of directors, chairman and key executive persons, and the form for licensed insurers to notify the MAS of changes in the roles and responsibilities or reporting structure of directors and key executive persons. MAS Notice 106 was amended on

September 24, 2021 to remove the requirement for insurers to notify MAS of any proposed arrangement (including an arrangement resulting in a director or key executive person taking on additional executive officer position or directorship) relating to a director or key executive person at least one month before it takes effect, to allow insurers to notify MAS as soon as practicable in the event that it is not possible for the insurer to be aware of the additional appointment at least one month before it takes effect.

If at any time it appears to the MAS that (a) a key executive person, the chairman or a director of a licensed insurer which is established or incorporated in Singapore has failed to perform his functions or is no longer a fit and proper person to be so appointed and (b) it is necessary in the public interest or for the protection of policy owners of a licensed insurer, the MAS may direct the licensed insurer to remove the key executive person, chairman or director, as the case may be, from his office, appointment or employment.

Financial Reporting Requirements

The MAS Notice 129 on Insurance Returns (Accounts and Statements) ("**MAS Notice 129**") sets forth various reporting requirements and prescribes the form in which the relevant statements of account and other statements of a licensed insurer are to be made. On March 15, 2021, amendments were made to the Independent Auditor's Report and Independent Auditor's Supplementary Report in MAS Notice 129 to take into account revisions on the Singapore Standards on Auditing.

A licensed insurer is required to file with MAS, all applicable forms (including all applicable annexes to such forms) and documents as specified in the relevant appendix of MAS Notice 129, in the form and manner specified in such appendix.

MAS Notice 318 require direct life insurers to submit information on their businesses and sources of businesses to the MAS annually.

MAS Notice 306 previously required direct life insurers to submit information on their businesses to the MAS annually. This requirement has since been removed with effect from February 22, 2021.

Appointment of auditors

Under Section 94(4) of the Insurance Act, a licensed insurer (other than a captive insurer and a marine mutual insurer) is required to appoint an auditor annually for the purposes of preparing and lodging with the MAS the requisite statements of accounts and other statements relating to its business. No person shall act as auditor for a licensed insurer unless, among other things, the insurer has obtained the approval of the MAS to appoint that person as an auditor.

Actuaries

Under Section 95(1) of the Insurance Act, a licensed insurer carrying on life and general business is also required, for each accounting period, to have an investigation made by an actuary approved by the MAS into the financial condition of each class of business that it carries on. Actuaries must be approved by the MAS. A direct insurer licensed to carry on life and general business shall have appointed an actuary and a certifying actuary, in each case, who is responsible for, among other things, reporting to the chief executive of the insurer on various matters including matters which in the actuary's opinion have a material adverse effect on the financial condition of the insurer in respect of its life or general business, or both, as the case may be. If the appointed actuary or certifying actuary, as the case may be, is of the opinion that the insurer has failed to take appropriate steps to rectify any matter reported by the actuary within a reasonable time, the actuary is required to immediately send a copy of his report to the MAS and notify the board of directors of the insurer that he has done so.

Public Disclosure

Licensed insurers are subject to MAS Notice 124 on Public Disclosure Requirements ("**MAS Notice 124**") which sets out requirements for an insurer to disclose relevant, comprehensive and adequate information on a timely basis in order to give a clear view of its business activities, performance and financial position. MAS Notice 124 requires an insurer to disclose quantitative and qualitative information on its profile, governance and controls, financial position, technical performance and the risks to which it is subject.

The MAS has in the Consultation Paper on Proposed Revisions to Enterprise Risk Management, Investment and Public Disclosure Requirements for Insurers published on February 19, 2021 proposed amendments to MAS Notice 124 to enhance the public disclosures requirements. These include proposals to require insurers to publicly disclose quantitative and qualitative information on liquidity risk, including quantitative information on sources and uses of liquidity (considering liquidity characteristics of both assets and liabilities), and qualitative information on liquidity risk exposures, management strategies, policies and processes. The MAS has also proposed to require insurers to publicly disclose quantitative and qualitative information on investment risk, including quantitative information on currency risk, market risk, credit risk and concentration risk, and qualitative information on the management of investment risk exposures, use of derivatives for hedging investment risks and internal policies on the use of derivatives.

Digital Advisory Services

On October 8, 2018, the MAS issued the Guidelines on Provision of Digital Advisory Services, which applies to all financial institutions (including licensed insurers) offering or seeking to offer digital advisory services in Singapore. Digital advisers seeking to offer their platforms to investors in Singapore will have to be licensed for fund management or dealing in capital markets products under the SFA and/or providing financial advisory services on investment products under the FAA. The type of licensing depends on the operating model of the digital adviser. The Guidelines set out the MAS' expectations on the Board and Senior Management to address the risks posed covering governance and supervision of algorithms, and clarifies the applicability of existing requirements to digital advisers, such as those relating to technology risk management, prevention of money laundering and countering the financing of terrorism, suitability of advice, disclosure of information, applicability of the balanced scorecard framework, as well as advertisements and marketing.

Environment Risk Management

On December 8, 2020, the MAS issued the Guidelines on Environmental Risk Management for Insurers ("**ERM Guidelines**") which applies on a group basis for locally-incorporated insurers. The ERM Guidelines set out MAS' expectations on environmental risk management for all insurers and covers governance and strategy, risk management, underwriting, investment and disclosure of environmental risk information. The Board and senior management of the insurer is expected to maintain effective oversight of the insurer's environmental risk management and disclosure, including the policies and processes to assess, monitor and report such risk, and oversee the integration of the insurer's environmental risk exposures into the insurer's enterprise risk management framework. The MAS has given insurers up to June 2022 to implement its expectations and demonstrate evidence of its implementation progress.

Resolution Powers

Under the MAS Act and the Insurance Act of Singapore, the MAS has resolution powers in respect of Singapore licensed insurers. Broadly speaking, the MAS has powers to (amongst other things) assume control of an insurer, impose moratoriums, temporarily stay termination rights of counterparties, order compulsory transfers of business or shares and impose requirements relating to recovery and resolution planning.

Individual Accountability and Conduct

With effect from September 10, 2021, financial institutions regulated by the MAS should implement appropriate policies and processes to achieve five accountability and conduct outcomes ("**Outcomes**") set out in the MAS Guidelines on Individual Accountability and Conduct issued on September 10, 2020. These five Outcomes and the specific guidance underpinning each Outcome aim to reinforce financial institutions' responsibilities in three key areas:

(a) promote the individual accountability of senior managers;

(b) strengthen oversight over material risk personnel; and

(c) reinforce conduct standards among all employees.

UNITED STATES BENEFIT PLAN INVESTOR CONSIDERATIONS

Section 406 of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") and Section 4975 of the Code prohibit certain transactions involving the assets of employee benefit plans, other plans subject to such provisions, including collective investment funds and separate accounts whose underlying assets include the assets of such plans, and entities whose underlying assets are deemed for purposes of ERISA or Section 4975 of the Code to include "plan assets" by reason of an employee benefit plan's or plan's investment in the entity (collectively, the "**Plans**"), and persons (referred to as "**parties in interest**" within the meaning of Section 3(14) of ERISA or "**disqualified persons**" within the meaning of Section 4975 of the Code) having certain relationships to such Plans, unless a statutory or administrative exemption applies to the transaction. A party in interest or disqualified person who engages in a non-exempt prohibited transaction may be subject to excise taxes or other penalties and liabilities under ERISA or Section 4975 of the Code.

Certain exemptions from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code may apply depending in part on the type of Plan fiduciary making the decision to acquire a Note and the circumstances under which such decision is made. Included among these exemptions are (but are not limited to) Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code (relating to transactions with certain service providers) and Prohibited Transaction Class Exemption ("**PTCE**") 95-60 (relating to investments by insurance company general accounts), PTCE 91-38 (relating to investments by bank collective investment funds), PTCE 84-14 (relating to transactions effected by a "qualified professional asset manager"), PTCE 90-1 (relating to investments by insurance company pooled separate accounts) and PTCE 96-23 (relating to transactions determined by an in-house asset manager). There can be no assurance that any of these exemptions or any other exemption will be available with respect to any particular transaction involving the Notes or that, if an exemption is available, it will cover all aspects of any particular transaction. Accordingly, each original or subsequent purchaser or transferee of a Note that is or may become a Plan is responsible for determining that its purchase, holding and disposition of such Note will not constitute or result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

The U.S. Department of Labor (the "**DOL**") has promulgated a regulation at 29 C.F.R. §2510.3-101 describing what constitutes the assets of a Plan for the purposes of ERISA and Section 4975 of the Code (as modified by Section 3(42) of ERISA, the "**Plan Asset Regulation**"). Pursuant to a look-through rule under the Plan Asset Regulation, if a Plan invests in an "equity interest" of an entity, then the Plan's assets include both the equity interest and an undivided interest in each of the entity's underlying assets, unless an exception applies. If the underlying assets of the entity are deemed to be "plan assets," the fiduciary responsibility and prohibited transaction provisions of ERISA or Section 4975 of the Code may apply to the underlying assets and activities of the entity, and there may be an increase in the exposure to liability under ERISA and Section 4975 of the Code of various providers of fiduciary or other services to the entity, and the activities of the entity may be restricted or limited.

For purposes of the Plan Asset Regulation, an equity interest includes any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features.

Unless otherwise provided in the relevant Pricing Supplement, the Issuer will proceed based on the position that the Notes should not be considered at the time of issuance to be "equity interests" of the Issuer for the purposes of the Plan Asset Regulation (see "Taxation – Certain United States Federal Income Tax Considerations – U.S. Federal Income Tax Characterization of the Notes") and subject to the requirements discussed herein, the Notes may generally be purchased and held by Plans. Each purchaser or transferee of a Note or any interest therein will be deemed to have represented and agreed that (a) it is not an (i) employee benefit plan or other plan subject to Title I

of ERISA or Section 4975 of the Code, (ii) any entity whose underlying assets are deemed for the purposes of ERISA or Section 4975 of the Code to include "plan assets" by reason of any such plan's investment in the entity, or (iii) a governmental, church, non-U.S. or other employee benefit plan which is subject to any U.S. federal, state or local law, or non-U.S. law, that is substantially similar to Section 406 of ERISA or Section 4975 of the Code, or (b) its purchase, holding and disposition of a Note (or any interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of a governmental, church, non-U.S. or other employee benefit plan, a non-exempt violation of any substantially similar law). Any purported transfer of a Note, or any interest therein to a purchaser or transferee that does not comply with the above requirements will be of no force and effect and shall be null and void *ab initio*.

THE PRECEDING DISCUSSION IS ONLY A SUMMARY OF CERTAIN ERISA AND OTHER U.S. IMPLICATIONS OF AN INVESTMENT IN THE SECURITIES AND DOES NOT PURPORT TO BE COMPLETE. PROSPECTIVE INVESTORS SHOULD CONSULT WITH THEIR OWN LEGAL, TAX, FINANCIAL AND OTHER ADVISORS PRIOR TO INVESTING TO REVIEW THESE IMPLICATIONS IN LIGHT OF SUCH INVESTOR'S PARTICULAR CIRCUMSTANCES.

TAXATION

The following summary of certain United States, Singapore and Australia income tax consequences of the purchase, ownership and disposition of the Notes is based upon laws, regulations, rulings and decisions now in effect, all of which are subject to change (possibly with retroactive effect). The summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and does not purport to deal with the consequences applicable to all categories of investors, some of which may be subject to special rules. Persons considering the purchase of the Notes should consult their own tax advisors concerning the application of United States, Singapore and Australia income tax laws on the taxation of savings income to their particular situations as well as any consequences of the purchase, ownership and disposition of the Notes arising under the laws of any other taxing jurisdiction.

Certain United States Federal Income Tax Considerations

The following is a summary of certain U.S. federal income tax consequences of the acquisition, ownership and disposition of Notes by a U.S. Holder. This summary does not address the material U.S. federal income tax consequences of every type of Note which may be issued under the Program, and the relevant Pricing Supplement may contain additional or modified disclosure concerning certain U.S. federal income tax consequences relevant to such type of Note as appropriate. This summary deals only with initial purchasers of Notes that are U.S. Holders and that will hold the Notes as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of Notes by particular investors (including consequences under the alternative minimum tax or Medicare tax on net investment income), and does not address state, local, non-U.S. or other tax laws (such as estate or gift tax laws). In particular, this summary does not address tax considerations applicable to holders of the Notes that own (directly, indirectly or by attribution) 5% or more of the interests (by vote or value) of OCBC Bank, nor does this summary discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, individual retirement accounts and other tax-deferred accounts, tax-exempt organizations, dealers in securities or currencies, investors that will hold the Notes as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes, persons subject to special rules for the taxable year of inclusion for accrual-basis taxpayers under Section 451(b) of the Internal Revenue Code of 1986, as amended (the "**Code**"), persons that have ceased to be U.S. citizens or lawful permanent residents of the United States, investors holding the Notes in connection with a trade or business conducted outside of the United States, U.S. citizens or lawful permanent residents living abroad or investors whose functional currency is not the U.S. dollar). Moreover, the summary deals only with certain types of Notes issued by OCBC Bank in Singapore and does not address U.S. federal income tax considerations specific to Index-Linked, Equity-Linked, Credit-Linked or Bond-Linked Notes. The U.S. federal income tax consequences of owning Index-Linked, Equity-Linked, Credit-Linked or Bond-Linked Notes or Notes issued by any branch of OCBC Bank outside of Singapore or any Specified Issuer will be discussed in the applicable Pricing Supplement.

As used herein, the term "**U.S. Holder**" means a beneficial owner of Notes that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organized under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has validly elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds Notes will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are entities or arrangements treated as partnerships for U.S. federal income tax purposes should consult their tax advisors concerning the U.S. federal income tax consequences to them and their partners of the acquisition, ownership and disposition of Notes by the partnership.

This summary is based on the tax laws of the United States including the Code, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as of the date hereof and all subject to change at any time, possibly with retroactive effect.

Notes in bearer form are not being offered to U.S. Holders. A U.S. Holder who owns a Bearer Note may be subject to limitations under United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Code.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING AND DISPOSING OF THE NOTES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

U.S. Federal Income Tax Characterization of the Notes

The characterization of a Series or Tranche of Notes may be uncertain and will depend on the terms of those Notes. The determination of whether an obligation represents debt, equity, or some other instrument or interest is based on all the relevant facts and circumstances. There may be no statutory, judicial or administrative authority directly addressing the characterization of some of the types of Notes that are anticipated to be issued under the Program or of instruments similar to the Notes. As a consequence, it may be unclear how a Series or Tranche of Notes should be properly characterized for U.S. federal income tax purposes.

Depending on the terms of a particular Series or Tranche of Notes, such Notes may not be characterized as debt for U.S. federal income tax purposes despite the form of the Notes as debt instruments. For example, Notes of a Series or Tranche may be more properly characterized as equity, or as representing an undivided proportionate ownership interest in the assets, and share of the liabilities of OCBC Bank. In particular, certain Series or Tranches of Notes (including, but not limited to, certain Subordinated Notes), because of their level of subordination, term until maturity, lack of a final maturity date, rights in the event of a default by OCBC Bank, the inclusion of any non-viability loss absorption provisions, and potentially their treatment for regulatory and other non-tax purposes, may be treated as equity in OCBC Bank for U.S. federal income tax purposes. Additional alternative characterizations may also be possible. Further possible characterizations, if applicable, may be discussed in the relevant Pricing Supplement.

For U.S. federal income tax purposes, one of the primary characteristics used to distinguish the treatment of an instrument as debt from an instrument treated as equity is whether the instrument, according to its terms, involves an unconditional promise to pay a fixed sum certain on a particular date in the future. OCBC Bank believes that the Perpetual Capital Securities, due to their perpetual term, should be treated as equity for U.S. federal income tax purposes, and the following discussion assumes such treatment. However, no assurance can be given that the U.S. Internal Revenue Service (the "**IRS**") will not assert that the Perpetual Capital Securities should be treated as indebtedness of OCBC Bank or in some other manner for U.S. federal income tax purposes. If the Perpetual Capital Securities were treated as indebtedness of OCBC Bank for U.S. federal income tax purposes, the timing, amount and character of income, gain or loss recognized by a U.S. Holder could be different. Each U.S. Holder that owns Perpetual Capital Securities should consult its own tax advisors with respect to the U.S. federal income tax characterization of the Perpetual Capital Securities.

No rulings will be sought from the IRS regarding the characterization of any of the Notes issued hereunder for U.S. federal income tax purposes. Each U.S. Holder should consult its own tax advisor about the proper characterization of the Notes for U.S. federal income tax purposes and consequences to the holder of acquiring, owning or disposing of the Notes.

The following summary assumes that (i) the Notes other than Perpetual Capital Securities are properly treated as debt and (ii) that Perpetual Capital Securities are properly treated as equity, in each case, for U.S. federal income tax purposes.

Notes Treated as Debt

For the avoidance of doubt, references to "Notes" in this section "– Notes Treated as Debt" do not include Perpetual Capital Securities (see "– Perpetual Capital Securities" below in this respect). The following summary applies to Notes that are properly treated as debt for U.S. federal income tax purposes. The applicable Pricing Supplement or any supplement to this Offering Memorandum will, if relevant, specify if the discussion below will apply to a particular Series or Tranche of Notes. The U.S. federal income tax consequences of owning Notes that are not treated as debt for U.S. federal income tax purposes will be discussed, as appropriate, in the applicable Pricing Supplement or any supplement to this Offering Memorandum.

Payments of Interest

General

Interest on a Note, whether payable in U.S. dollars or a currency, composite currency or basket of currencies other than U.S. dollars (a "**foreign currency**"), other than interest on a "Discount Note" that is not "qualified stated interest" (each as defined below under "– Original Issue Discount – General"), will be taxable to a U.S. Holder as ordinary income at the time it is received or accrued, depending on such U.S. Holder's method of accounting for U.S. federal income tax purposes, reduced by the allocable amount of any amortizable bond premium, subject to the discussion below. Interest paid by OCBC Bank on the Notes and original issue discount ("**OID**"), if any, accrued with respect to the Notes (as described below under "– Original Issue Discount") generally will constitute income from sources outside the United States.

Effect of Singapore Withholding Taxes

As discussed in "Singapore Taxation" below, under current law payments of interest in respect of the Notes may be subject to Singaporean withholding taxes. As discussed under "Terms and Conditions of the Notes other than the Perpetual Capital Securities – Taxation" and "Terms and Conditions of the Perpetual Capital Securities – Taxation", OCBC Bank may become liable for the payment of additional amounts to U.S. Holders so that U.S. Holders receive the same amounts they would have received had no Singaporean withholding taxes been imposed. For U.S. federal income tax purposes, U.S. Holders would be treated as having actually received the amount of Singaporean taxes withheld by OCBC Bank with respect to a Note, and as then having actually paid over the withheld taxes to the Singaporean taxing authorities. As a result, the amount of interest income included in gross income for U.S. federal income tax purposes by a U.S. Holder with respect to a payment of interest may be greater than the amount of cash actually received (or receivable) by the U.S. Holder from OCBC Bank with respect to the payment.

Subject to certain limitations, a U.S. Holder will generally be entitled to a credit against its U.S. federal income tax liability, or a deduction in computing its U.S. federal taxable income, for Singaporean income taxes withheld by OCBC Bank. Interest generally will constitute "passive category income" for purposes of the foreign tax credit. The rules governing foreign tax credits are complex. Prospective purchasers should consult their tax advisors concerning the foreign tax credit implications of Singaporean withholding taxes.

Original Issue Discount

General

The following is a summary of the principal U.S. federal income tax consequences of the ownership of Notes issued with OID. The following summary does not discuss Notes that are characterized as contingent payment debt instruments for U.S. federal income tax purposes. In the event OCBC Bank issues contingent payment debt instruments, the applicable Pricing Supplement or a supplement to this Offering Memorandum may describe the material U.S. federal income tax consequences thereof.

A Note, other than a Note with a term of one year or less (a "**Short-Term Note**"), will be treated as issued with OID (a "**Discount Note**") if the excess of the Note's "stated redemption price at maturity" over its issue price is equal to or more than a de minimis amount (0.25% of the Note's stated redemption price at maturity multiplied by the number of complete years to its maturity). An obligation that provides for the payment of amounts other than qualified stated interest before maturity (an "**installment obligation**") will be treated as a Discount Note if the excess of the Note's stated redemption price at maturity over its issue price is equal to or greater than 0.25% of the Note's stated redemption price at maturity multiplied by the weighted average maturity of the Note. A Note's weighted average maturity is the sum of the following amounts determined for each payment on a Note (other than a payment of qualified stated interest): (i) the number of complete years from the issue date until the payment is made multiplied by (ii) a fraction, the numerator of which is the amount of the payment and the denominator of which is the Note's stated redemption price at maturity. Generally, the issue price of a Note will be the first price at which a substantial amount of Notes included in the issue of which the Note is a part is sold to persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers. The stated redemption price at maturity of a Note is the total of all payments provided by the Note that are not payments of "qualified stated interest." A qualified stated interest payment is generally any one of a series of stated interest payments on a Note that are unconditionally payable at least annually at a single fixed rate (with certain exceptions for lower rates paid during some periods), or a variable rate (in the circumstances described below under "Variable Interest Rate Notes"), applied to the outstanding principal amount of the Note. Solely for the purposes of determining whether a Note has OID, OCBC Bank will be deemed to exercise any call option that has the effect of decreasing the yield on the Note, and the U.S. Holder will be deemed to exercise any put option that has the effect of increasing the yield on the Note. U.S. Holders of Discount Notes must include OID in income calculated on a constant-yield method before the receipt of cash attributable to the income, and generally will have to include in income increasingly greater amounts of OID over the life of the Discount Notes. The amount of OID includible in income by a U.S. Holder of a Discount Note is the sum of the daily portions of OID with respect to the Discount Note for each day during the taxable year or portion of the taxable year on which the U.S. Holder holds the Discount Note. The daily portion is determined by allocating to each day in any "accrual period" a pro rata portion of the OID allocable to that accrual period. Accrual periods with respect to a Note may be of any length selected by the U.S. Holder and may vary in length over the term of the Note as long as (i) no accrual period is longer than one year and (ii) each scheduled payment of interest or principal on the Note occurs on either the final or first day of an accrual period. The amount of OID allocable to an accrual period equals the excess of (a) the product of the Discount Note's adjusted issue price at the beginning of the accrual period and the Discount Note's yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) over (b) the sum of the payments of qualified stated interest on the Note allocable to the accrual period. The "adjusted issue price" of a Discount Note at the beginning of any accrual period is the issue price of the Note increased by (x) the amount of accrued OID for each prior accrual period and decreased by (y) the amount of any payments previously made on the Note that were not qualified stated interest payments.

Original Issue Discount on Certain Notes with an Issuer Call Option

The rules governing the calculation of OID in the case of Notes where (i) interest is payable at more than one rate of interest during the life of Notes; and (ii) the Issuer has an option to call the Notes, are not entirely clear. The Issuer believes that the following paragraph is a reasonable interpretation of the application of the OID rules to such a Series or Tranche of Notes. However, there is no assurance that the IRS will agree with this treatment. Each U.S. Holder should consult its own tax advisor about the proper application of the OID rules to any such Series or Tranche of Notes.

In the case of Notes that provide for a fixed rate of interest up to the first call date, for the purpose of application of the OID rules, these Notes must be converted into an "equivalent" fixed rate debt instrument (as described under "– Original Issue Discount – Variable Interest Rate Notes"). If, using the rates applicable on the issue date, the initial interest rate on the "equivalent" fixed rate debt instrument is less than the interest rate from the first call date through to the maturity date of the Notes, the Issuer will be presumed to call the Notes at the first call date and the general rules pertaining to OID would apply. If, using the rates applicable on the issue date, the initial interest rate on the "equivalent" fixed rate debt instrument is greater than the interest rate from the first call date through to the maturity date of the Notes, the Issuer will be presumed to extend the Notes at the first call date and the Notes should be treated as "variable rate debt instruments" that do not provide for stated interest at either a single qualified floating rate or a single objective rate (as described under "– Original Issue Discount – Variable Interest Rate Notes").

Acquisition Premium

A U.S. Holder that purchases a Discount Note for an amount less than or equal to the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, but in excess of its adjusted issue price (any such excess being "**acquisition premium**") and that does not make the election described below under "– Election to Treat All Interest as Original Issue Discount", is permitted to reduce the daily portions of OID by a fraction, the numerator of which is the excess of the U.S. Holder's adjusted basis in the Note immediately after its purchase over the Note's adjusted issue price, and the denominator of which is the excess of the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, over the Note's adjusted issue price.

Short-Term Notes

In general, an individual or other cash basis U.S. Holder of a Short-Term Note is not required to accrue OID (as specially defined below for the purposes of this paragraph) for U.S. federal income tax purposes unless it elects to do so (but may be required to include any stated interest in income as the interest is received). Accrual basis U.S. Holders and certain other U.S. Holders are required to accrue OID on Short-Term Notes on a straight-line basis or, if the U.S. Holder so elects, under the constant-yield method (based on daily compounding). In the case of a U.S. Holder not required and not electing to include OID in income currently, any gain realized on the sale, exchange, retirement, redemption or other taxable disposition of the Short-Term Note will be ordinary income to the extent of the OID accrued on a straight-line basis (unless an election is made to accrue the OID under the constant-yield method) through the date of sale, exchange, retirement, redemption or other taxable disposition. U.S. Holders who are not required and do not elect to accrue OID on Short-Term Notes will be required to defer deductions for interest on borrowings allocable to Short-Term Notes in an amount not exceeding the deferred income until the deferred income is realized.

For purposes of determining the amount of OID subject to these rules, all interest payments on a Short-Term Note are included in the Short-Term Note's stated redemption price at maturity. A U.S. Holder may elect to determine OID on a Short-Term Note as if the Short-Term Note had been originally issued to the U.S. Holder at the U.S. Holder's purchase price for the Short-Term Note. This election will apply to all obligations with a maturity of one year or less acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applies, and may not be revoked without the consent of the IRS.

Market Discount

A Note, other than a Short-Term Note, generally will be treated as purchased at a market discount (a "**Market Discount Note**") if the Note's stated redemption price at maturity or, in the case of a Discount Note, the Note's "revised issue price", exceeds the amount for which the U.S. Holder purchased the Note by at least 0.25% of the Note's stated redemption price at maturity or revised issue price, respectively, multiplied by the number of complete years to the Note's maturity (or, in the case of a Note that is an installment obligation, the Note's weighted average maturity). If this excess is not sufficient to cause the Note to be a Market Discount Note, then the excess constitutes "de minimis market discount". For this purpose, the "revised issue price" of a Note generally equals its issue price, increased by the amount of any OID that has accrued on the Note and decreased by the amount of any payments previously made on the Note that were not qualified stated interest payments.

Any gain recognized on the sale, exchange, retirement, redemption or other taxable disposition of a Market Discount Note (including any payment on a Note that is not qualified stated interest) generally will be treated as ordinary income to the extent that the gain does not exceed the accrued market discount on the Note. Alternatively, a U.S. Holder of a Market Discount Note may avoid such treatment by electing to include market discount in income currently over the life of the Note. This election applies to all debt instruments with market discount acquired by the electing U.S. Holder on or after the first day of the first taxable year for which the election is made. This election may not be revoked without the consent of the IRS.

A U.S. Holder of a Market Discount Note that does not elect to include market discount in income currently may be required to defer deductions for interest on borrowings incurred to purchase or carry a Market Discount Note. Such interest is deductible when paid or incurred to the extent of income from the Note for the year. If the interest expense exceeds such income, such excess is currently deductible only to the extent that such excess exceeds the portion of the market discount allocable to the days during the taxable year on which such Note was held by the U.S. Holder.

Market discount will accrue on a straight-line basis unless the U.S. Holder elects to accrue the market discount on a constant-yield method. This election applies only to the Market Discount Note with respect to which it is made and is irrevocable.

Variable Interest Rate Notes

Notes that provide for interest at variable rates ("**Variable Interest Rate Notes**") generally will bear interest at a "qualified floating rate" and thus will be treated as "variable rate debt instruments" under Treasury regulations governing accrual of OID. A Variable Interest Rate Note will qualify as a "variable rate debt instrument" if (a) its issue price does not exceed the total non-contingent principal payments due under the Variable Interest Rate Note by more than a specified de minimis amount, (b) it provides for stated interest, paid or compounded at least annually, at (i) one or more qualified floating rates, (ii) a single fixed rate and one or more qualified floating rates, (iii) a single objective rate, or (iv) a single fixed rate and a single objective rate that is a qualified inverse floating rate, and (c) it does not provide for any principal payments that are contingent (other than as described in (a) above).

A "**qualified floating rate**" is any variable rate where variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Variable Interest Rate Note is denominated. A fixed multiple of a qualified floating rate will constitute a qualified floating rate only if the multiple is greater than 0.65 but not more than 1.35. A variable rate equal to the product of a qualified floating rate and a fixed multiple that is greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate, will also constitute a qualified floating rate. In addition, two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the Variable Interest Rate Note (e.g., two or more qualified floating rates with values within 25 basis points of each other as determined on the Variable Interest Rate Note's issue date) will be treated as a single qualified floating rate. Notwithstanding the foregoing, a variable rate that would otherwise constitute a qualified floating rate but which is subject to one or more restrictions such as a maximum numerical limitation (i.e., a cap) or a minimum numerical limitation (i.e., a floor) may, under certain circumstances, fail to be treated as a qualified floating rate.

An "**objective rate**" is a rate that is not itself a qualified floating rate but which is determined using a single fixed formula and which is based on objective financial or economic information (e.g., one or more qualified floating rates or the yield of actively traded personal property). A rate will not qualify as an objective rate if it is based on information that is within the control of OCBC Bank (or a related party) or that is unique to the circumstances of OCBC Bank (or a related party), such as dividends, profits or the value of OCBC Bank's stock (although a rate does not fail to be an objective rate merely because it is based on the credit quality of OCBC Bank). Other variable interest rates may be treated as objective rates if so designated by the IRS in the future. Despite the foregoing, a variable rate of interest on a Variable Interest Rate Note will not constitute an objective rate if it is reasonably expected that the average value of the rate during the first half of the Variable Interest Rate Note's term will be either significantly less than or significantly greater than the average value of the rate during the final half of the Variable Interest Rate Note's term. A "qualified inverse floating rate" is any objective rate where the rate is equal to a fixed rate minus a qualified floating rate, as long as variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate. If a Variable Interest Rate Note provides for stated interest at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period and if the variable rate on the Variable Interest Rate Note's issue date is intended to approximate the fixed rate (e.g., the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than 25 basis points), then the fixed rate and the variable rate together will constitute either a single qualified floating rate or objective rate, as the case may be.

A qualified floating rate or objective rate in effect at any time during the term of the instrument must be set at a "current value" of that rate. A "current value" of a rate is the value of the rate on any day that is no earlier than 3 months prior to the first day on which that value is in effect and no later than 1 year following that first day.

If a Variable Interest Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof qualifies as a "variable rate debt instrument", then any stated interest on the Note which is unconditionally payable in cash or property (other than debt instruments of OCBC Bank) at least annually will constitute qualified stated interest and will be taxed accordingly. Thus, a Variable Interest Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof and that qualifies as a "variable rate debt instrument" will generally not be treated as having been issued with OID unless the Variable Interest Rate Note is issued at a "true" discount (i.e., at a price below the Note's stated principal amount) in excess of a specified de minimis amount. OID on a Variable Interest Rate Note arising from "true" discount is allocated to an accrual period using the constant yield method described above by assuming that the variable rate is a fixed rate equal to (i) in the case of a qualified floating rate or qualified inverse floating rate, the value, as of the issue date, of the qualified floating rate or qualified inverse floating rate, or (ii) in the case of an objective rate (other than a qualified inverse floating rate), a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Note.

In general, any other Variable Interest Rate Note that qualifies as a "variable rate debt instrument" will be converted into an "equivalent" fixed rate debt instrument for the purposes of determining the amount and accrual of OID and qualified stated interest on the Variable Interest Rate Note. Such a Variable Interest Rate Note must be converted into an "equivalent" fixed rate debt instrument by substituting any qualified floating rate or qualified inverse floating rate provided for under the terms of the Variable Interest Rate Note with a fixed rate equal to the value of the qualified floating rate or qualified inverse floating rate, as the case may be, as of the Variable Interest Rate Note's issue date. Any objective rate (other than a qualified inverse floating rate) provided for under the terms of the Variable Interest Rate Note is converted into a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Note. In the case of a Variable Interest Rate Note that qualifies as a "variable rate debt instrument" and provides for stated interest at a fixed rate in addition to either one or more qualified floating rates or a qualified inverse floating rate, the fixed rate is initially converted into a qualified floating rate (or a qualified inverse floating rate, if the Variable Interest Rate Note provides for a qualified inverse floating rate). Under these circumstances, the qualified floating rate or qualified inverse floating rate that replaces the fixed rate must be such that the fair market value of the Variable Interest Rate Note as of the Variable Interest Rate Note's issue date is approximately the same as the fair market value of an otherwise identical debt instrument that provides for either the qualified floating rate or qualified inverse floating rate rather than the fixed rate. Subsequent to converting the fixed rate into either a qualified floating rate or a qualified inverse floating rate, the Variable Interest Rate Note is converted into an "equivalent" fixed rate debt instrument in the manner described above.

Once the Variable Interest Rate Note is converted into an "equivalent" fixed rate debt instrument pursuant to the foregoing rules, the amount of OID and qualified stated interest, if any, are determined for the "equivalent" fixed rate debt instrument by applying the general OID rules to the "equivalent" fixed rate debt instrument and a U.S. Holder of the Variable Interest Rate Note will account for the OID and qualified stated interest as if the U.S. Holder held the "equivalent" fixed rate debt instrument. In each accrual period, appropriate adjustments will be made to the amount of qualified stated interest or OID assumed to have been accrued or paid with respect to the "equivalent" fixed rate debt instrument in the event that these amounts differ from the actual amount of interest accrued or paid on the Variable Interest Rate Note during the accrual period.

If a Variable Interest Rate Note, such as a Note the payments on which are determined by reference to an index, does not qualify as a "variable rate debt instrument", then the Variable Interest Rate Note will be treated as a contingent payment debt obligation. The proper U.S. federal income tax treatment of Variable Interest Rate Notes that are treated as contingent payment debt obligations will be more fully described in the applicable Pricing Supplement or supplement to this Offering Memorandum.

Notes Purchased at a Premium

A U.S. Holder that purchases a Note for an amount in excess of its principal amount, or for a Discount Note, its stated redemption price at maturity, may elect to treat the excess as "amortizable bond premium", in which case the amount required to be included in the U.S. Holder's income each year with respect to interest on the Note will be reduced by the amount of amortizable bond premium allocable (based on the Note's yield to maturity) to that year.

Any election to amortize bond premium will apply to all bonds (other than bonds the interest on which is excludable from gross income for U.S. federal income tax purposes) held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and is irrevocable without the consent of the IRS. See also "– Original Issue Discount – Election to Treat All Interest as Original Issue Discount".

Election to Treat All Interest as Original Issue Discount

A U.S. Holder may elect to include in gross income all interest that accrues on a Note using the constant-yield method described above under "– Original Issue Discount – General," with certain modifications. For the purposes of this election, interest includes stated interest, OID, de minimis OID, market discount, de minimis market discount and unstated interest, as adjusted by any amortizable bond premium (described above under "Notes Purchased at a Premium") or acquisition premium. This election will generally apply only to the Note with respect to which it is made and may not be revoked without the consent of the IRS. If the election to apply the constant-yield method to all interest on a Note is made with respect to a Market Discount Note, the electing U.S. Holder will be treated as having made the election discussed above under "– Original Issue Discount – Market Discount" to include market discount in income currently over the life of all debt instruments having market discount that are acquired on or after the first day of the first taxable year to which the election applies. U.S. Holders should consult their tax advisors concerning the propriety and consequences of this election.

Sale, Exchange, Retirement, Redemption or other Taxable Disposition of Notes

A U.S. Holder will generally recognize gain or loss on the sale, exchange, retirement, redemption or other taxable disposition of a Note equal to the difference between the amount realized on the sale, exchange, retirement, redemption or other taxable disposition and the U.S. Holder's adjusted tax basis of the Note. A U.S. Holder's adjusted tax basis in a Note will generally be its cost, increased by the amount of any OID or market discount included in the U.S. Holder's income with respect to the Note and the amount, if any, of income attributable to de minimis OID and de minimis market discount included in the U.S. Holder's income with respect to the Note, and reduced by (i) the amount of any payments that are not qualified stated interest payments, and (ii) the amount of any amortizable bond premium applied to reduce interest on the Note. The amount realized does not include the amount attributable to accrued but unpaid interest, which will be taxable as interest income to the extent not previously included in income. Except to the extent described above under "– Original Issue Discount – Market Discount" or "– Original Issue Discount – Short Term Notes" or attributable to changes in exchange rates (as discussed below), gain or loss recognized on the sale, exchange, retirement, redemption or other taxable disposition of a Note will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder's holding period in the Notes exceeds one year. Gain or loss realized by a U.S. Holder on the sale, exchange, retirement, redemption or other taxable disposition of a Note generally will be U.S. source.

Foreign Currency Notes

Interest

If an interest payment is denominated in, or determined by reference to, a foreign currency, the amount of income recognized by a cash basis U.S. Holder will be the U.S. dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars.

An accrual basis U.S. Holder may determine the amount of income recognized with respect to an interest payment denominated in, or determined by reference to, a foreign currency in accordance with either of two methods. Under the first method, the amount of income accrued will be based on the average exchange rate in effect during the interest accrual period (or, in the case of an accrual period that spans two taxable years of a U.S. Holder, the part of the period within the taxable year).

Under the second method, the U.S. Holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period (or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year).

Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period, an electing accrual basis U.S. Holder may instead translate the accrued interest into U.S. dollars at the exchange rate in effect on the day of actual receipt. Any such election will apply to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and will be irrevocable without the consent of the IRS.

Upon receipt of an interest payment (including a payment attributable to accrued but unpaid interest upon the sale, exchange, retirement, redemption or other taxable disposition of a Note) denominated in, or determined by reference to, a foreign currency, the U.S. Holder may recognize U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

OID

OID for each accrual period on a Discount Note that is denominated in, or determined by reference to, a foreign currency, will be determined in the foreign currency and then translated into U.S. dollars in the same manner as stated interest accrued by an accrual basis U.S. Holder, as described above. Upon receipt of an amount attributable to OID (whether in connection with a payment on the Note or a sale, exchange, retirement, redemption or other taxable disposition of the Note), a U.S. Holder may recognize U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

Market Discount

Market discount on a Note that is denominated in, or determined by reference to, a foreign currency, will be accrued in the foreign currency. If the U.S. Holder elects to include market discount in income currently, the accrued market discount will be translated into U.S. dollars at the average exchange rate for the accrual period (or portion thereof within the U.S. Holder's taxable year). Upon the receipt of an amount attributable to accrued market discount, the U.S. Holder may recognize U.S. source exchange gain or loss (which will be taxable as ordinary income or loss) determined in the same manner as for accrued interest or OID. A U.S. Holder that does not elect to include market discount in income currently will recognize, upon the sale, exchange, retirement, redemption or other taxable disposition of the Note, the U.S. dollar value of the amount accrued, calculated at the spot rate on that date, and no part of this accrued market discount will be treated as exchange gain or loss.

Bond Premium

Bond premium (including acquisition premium) on a Note that is denominated in, or determined by reference to, a foreign currency, will be computed in units of the foreign currency, and any such bond premium that is taken into account currently will reduce interest income (or OID) in units of the foreign currency. On the date bond premium offsets interest income (or OID), a U.S. Holder may recognize U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the amount offset multiplied by the difference between the spot rate in effect on the date of the offset, and the spot rate in effect on the date the Notes were acquired by the U.S. Holder. A U.S. Holder that does not elect to take bond premium (other than acquisition premium) into account currently will recognize a market loss when the Note matures.

Sale, Exchange, Retirement, Redemption or Other Taxable Disposition

As discussed above under "Sale, Exchange, Retirement, Redemption or Other Taxable Disposition of Notes", a U.S. Holder will generally recognize gain or loss on the sale, exchange, retirement, redemption or other taxable disposition of a Note equal to the difference between the amount realized on the sale, exchange, retirement, retirement, redemption or other taxable disposition and its tax basis in the Note, in each case as determined in U.S. dollars. U.S. Holders should consult their own tax advisors about how to account for proceeds received on the sale, exchange, retirement, redemption or other taxable disposition of Notes that are not paid in U.S. dollars.

A U.S. Holder will recognize U.S. source exchange rate gain or loss (taxable as ordinary income or loss) on the sale, exchange, retirement, redemption or other taxable disposition of a Note equal to the difference, if any, between the U.S. dollar values of the U.S. Holder's purchase price for the Note (as adjusted for amortized bond premium, if any) (a) on the date of sale, exchange, retirement, redemption or other taxable disposition and (b) on the date on which the U.S. Holder acquired the Note. Any such exchange rate gain or loss will be realized only to the extent of total gain or loss realized on the sale, exchange, retirement, redemption or other taxable disposition (including any exchange gain or loss with respect to the receipt of accrued but unpaid interest).

Disposition of Foreign Currency

Foreign currency received as interest on a Note or on the sale, exchange, retirement, redemption or other taxable disposition of a Note will have a tax basis equal to its U.S. dollar value at the time the foreign currency is received. Foreign currency that is purchased will generally have a tax basis equal to the U.S. dollar value of the foreign currency on the date of purchase. Any gain or loss recognized on a sale or other disposition of a foreign currency (including its use to purchase Notes or upon exchange for U.S. dollars) will be U.S. source ordinary income or loss.

Perpetual Capital Securities

Distributions

General

Distributions on Perpetual Capital Securities by the Issuer, before reduction for any withholding tax paid by the Issuer with respect thereto (and including any additional amounts paid in respect of such withholding), generally will be taxable to a U.S. Holder as dividend income to the extent of the Issuer's current or accumulated earnings and profits (as determined for U.S. federal income tax purposes), and will not be eligible for the dividends received deduction allowed to corporations. Distributions in excess of current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the U.S. Holder's basis in the Perpetual Capital Securities and thereafter as capital gain. However, the Issuer does not maintain calculations of its earnings and profits in accordance with U.S. federal income tax accounting principles. U.S. Holders should therefore assume that any distributions by the Issuer with respect to Perpetual Capital Securities will be reported as ordinary dividend income. U.S. Holders should consult their own tax advisors with respect to the appropriate U.S. federal income tax treatment of any distributions on Perpetual Capital Securities received from the Issuer.

Foreign Currency Distributions

Distributions paid in a foreign currency will be included in income in a U.S. dollar amount calculated by reference to the exchange rate in effect on the day the distributions are received by the U.S. Holder, regardless of whether the foreign currency is converted into U.S. dollars at that time. If the distributions received in a foreign currency are converted into U.S. dollars at the exchange rate in effect on the day they are received, the U.S. Holder generally will not be required to recognize foreign currency gain or loss in respect of the distribution.

Effect of Singaporean Withholding Taxes

As discussed above under "– Distributions – General", the amount of any distribution on the Perpetual Capital Securities will include amounts, if any, withheld in respect of Singaporean taxes. For more information on Singaporean withholding taxes, please see the discussion under "Taxation – Singapore Taxation". Distributions that the Issuer pays with respect to the Perpetual Capital Securities will be considered foreign-source income to U.S. Holders. Subject to applicable limitations, some of which vary depending upon the U.S. Holder's circumstances, a U.S. Holder generally will be entitled to a credit against its U.S. federal income tax liability, or a deduction in computing its U.S. federal taxable income, for Singaporean income taxes withheld by OCBC Bank.

Dividend income generally constitutes "passive category income" for purposes of the foreign tax credit. The rules governing foreign tax credits are complex. Prospective purchasers should consult their tax advisors concerning the foreign tax credit implications of the payment of Singaporean (or other non-U.S.) taxes.

Sale, Exchange, Retirement, Redemption or Other Taxable Disposition

For U.S. federal income tax purposes, gain or loss realized on the sale, exchange, retirement, redemption or other taxable disposition of the Perpetual Capital Securities will be capital gain or loss, and will be long-term capital gain or loss if the U.S. Holder held the Perpetual Capital Securities for more than one year. The amount of the gain or loss will equal the difference between the U.S. Holder's adjusted tax basis in the Perpetual Capital Securities disposed of and the amount realized on the disposition, in each case as determined in U.S. dollars. A U.S. Holder's adjusted tax basis in a Perpetual Capital Security generally will be its U.S. dollar cost. Such gain or loss will generally be U.S.-source gain or loss for foreign tax credit purposes. The deductibility of capital losses is subject to limitations. U.S. Holders should consult their own tax advisors about how to account for proceeds received on the sale, exchange, retirement, redemption or other taxable disposition of Perpetual Capital Securities that are not paid in U.S. dollars.

A U.S. Holder will have a tax basis in the foreign currency received equal to its U.S. dollar value at the spot rate on the settlement date. Any currency gain or loss realized in the sale, exchange, retirement, redemption or other taxable disposition of the Perpetual Capital Securities or on a subsequent conversion or other disposition of the foreign currency for a different U.S. dollar amount generally will be treated as U.S. source ordinary income or loss.

*Passive Foreign Investment Company Considerations ("**PFIC**")*

A non-U.S. corporation will be a PFIC in any taxable year in which, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to applicable "look-through rules," either (i) at least 75% of its gross income is "passive income" or (ii) at least 50% of the average value of its assets is attributable to assets which produce passive income or are held for the production of passive income. Although interest, dividends, and gain from the disposition of assets held as investments are generally treated as passive income for these purposes, special rules exclude (a) income connected to an active banking business earned by certain banks and (b) income connected to an active insurance business earned by certain insurance companies from treatment as passive income for purposes of these tests. OCBC Bank believes that its subsidiaries currently qualify as banks or insurance companies eligible for income connected with their active banking or insurance businesses, as applicable, to be excluded from passive income treatment under these rules. As a result, OCBC Bank does not believe that it should be treated as a PFIC. OCBC Bank's possible status as a PFIC must be determined annually, however, and may be subject to change if OCBC Bank fails to qualify under these special rules for any year in which a U.S. Holder holds Perpetual Capital Securities. If OCBC Bank were to be treated as a PFIC in any year, U.S. Holders of Perpetual Capital Securities would be required

to (i) pay a special U.S. addition to tax on certain distributions and gains on sale, (ii) pay tax on any gain from the sale of Perpetual Capital Securities at ordinary income (rather than capital gains) rates in addition to paying the special addition to tax on this gain, and (iii) comply with additional U.S. federal income tax reporting obligations. Prospective purchasers should consult their tax advisors regarding the potential application of the PFIC regime.

Backup Withholding and Information Reporting

In general, payments by a U.S. paying agent or other U.S. intermediary of interest and accruals of OID on, and the proceeds of a sale, exchange, retirement, redemption or other taxable disposition of, the Notes, as well as distributions and other proceeds with respect to the Perpetual Capital Securities payable to a U.S. Holder will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding will apply to these payments, including payments of accrued OID, if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or otherwise fails to comply with applicable certification requirements. Certain U.S. Holders are not subject to backup withholding. U.S. Holders should consult their tax advisors about these rules and any other reporting obligations that may apply to the ownership or disposition of Notes, including requirements related to the holding of certain "specified foreign financial assets".

Reportable Transactions

A U.S. taxpayer that participates in a "reportable transaction" will be required to disclose its participation to the IRS. Under the relevant rules, if the Notes are denominated in a foreign currency, a U.S. Holder may be required to treat a foreign currency exchange loss from the Notes as a reportable transaction if this loss exceeds the relevant threshold in the regulations (U.S.$50,000 in a single taxable year, if the U.S. Holder is an individual or trust, or higher amounts for other non-individual U.S. Holders), and to disclose its investment by filing Form 8886 with the IRS. A penalty in the amount of U.S.$10,000 in the case of a natural person and U.S.$50,000 in all other cases is generally imposed on any taxpayer that fails to timely file an information return with the IRS with respect to a transaction resulting in a loss that is treated as a reportable transaction. Prospective purchasers are urged to consult their tax advisors regarding the application of these rules.

Fungible Issue

OCBC Bank may, without the consent of the Noteholders or the Securityholders, as the case may be, of outstanding Notes, issue additional Notes with identical terms. These additional Notes, even if they are treated for non-tax purposes as part of the same series as the original Notes, in some cases may be treated as a separate series for U.S. federal income tax purposes. In such a case, among other things, the additional Notes may be considered to have been issued with OID even if the original Notes had no OID, or the additional Notes may have a greater amount of OID than the original Notes. These differences may affect the market value of the original Notes if the additional Notes are not otherwise distinguishable from the original Notes.

U.S. Foreign Account Tax Compliance Withholding

Pursuant to certain provisions of U.S. law, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer believes that it is a foreign financial institution for these purposes. A number of jurisdictions (including Singapore) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments

such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, proposed regulations have been issued that provide that such withholding would not apply to foreign passthru payments prior to the date that is two years after the date on which final regulations defining "foreign passthru payments" are published in the U.S. Federal Register. In the preamble to the proposed regulations, the U.S. Treasury Department indicated that taxpayers may rely on these proposed regulations until the issuance of final regulations. Additionally, Notes that are characterized as debt (or which are not otherwise treated as equity and have a fixed term) for U.S. federal income tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. However, if additional Notes (as described under "Terms and Conditions of the Notes other than the Perpetual Capital Securities – Further Issues") that are not distinguishable from grandfathered Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all the Notes in the series, including grandfathered Notes, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

Singapore Taxation

The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the MAS in force as at the date of this Offering Memorandum and are subject to any changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, guidelines or circulars, occurring after such date, which changes could be made on a retroactive basis. Neither these statements nor any other statements in this Offering Memorandum are intended or are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements made herein do not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. Prospective Noteholders or the Securityholders, as the case may be, are advised to consult their own tax advisors as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Notes, including the effect of any foreign, state or local tax laws to which they are subject. It is emphasized that neither OCBC Bank nor any other persons involved in the Program accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.

In addition, the statements below are on the assumption that the Inland Revenue Authority of Singapore ("**IRAS**") regards the (a) Subordinated Notes containing non-viability loss absorption provisions as debt securities for the purposes of the Income Tax Act 1947 of Singapore (the "**ITA**") and eligible for the Qualifying Debt Securities Scheme; and (b) Notes constituting Perpetual Capital Securities as "AT1 instruments" within the meaning of Section 10I(2) of the ITA. If any Tranche of the Subordinated Notes is not regarded as debt securities for the purposes of the ITA or any Tranche of Notes constituting Perpetual Capital Securities is not regarded as "AT1 instruments" within the meaning of Section 10I(2) of the ITA, and/or holders thereof are not eligible for the tax concessions under the Qualifying Debt Securities Scheme, the tax treatment to holders may differ. Investors and holders of any Tranche of such Notes should consult their own accounting and tax advisors regarding the Singapore income tax consequences of their acquisition, holding and disposal of any Tranche of the Notes.

Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the ITA the following payments are deemed to be derived from Singapore:

(a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or

(b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15% final withholding tax described below) to non-resident persons (other than non-resident individuals) is at the prevailing corporate tax rate, which is currently 17%.

The applicable rate for non-resident individuals is currently 22% and is proposed to be increased to 24% from the year of assessment 2024 pursuant to the Singapore Budget Statement 2022.

However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15%. The rate of 15% may be reduced by applicable tax treaties.

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

(a) interest from debt securities derived on or after January 1, 2004;

(b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after February 17, 2006; and

(c) prepayment fee, redemption premium and break cost from debt securities derived on or after February 15, 2007,

except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession in Singapore.

Withholding Tax Exemption on Qualifying Payments by Specified Entities

Pursuant to Section 45I of the ITA, payments of income which are deemed under Section 12(6) of the ITA to be derived from Singapore and which are made by a specified entity shall be exempt from withholding tax if such payments are liable to be made by such specified entity for the purpose of its trade or business under a debt security which is issued within the period from February 17, 2012 to December 31, 2026 (both dates inclusive). Notwithstanding the above, permanent establishments in Singapore of non-resident persons are required to declare such payments in their annual income tax returns and will be assessed to tax on such payments (unless specifically exempt from tax).

A specified entity includes a bank licensed under the Banking Act 1970 of Singapore or a merchant bank approved under the Monetary Authority of Singapore Act 1970 of Singapore.

Qualifying Debt Securities Scheme

As the Program as a whole is arranged by an Approved Bond Intermediary (as defined in the ITA) prior to January 1, 2004, by Financial Sector Incentive (Bond Market) Company(ies) (as defined in the ITA) prior to January 1, 2014 and by Financial Sector Incentive (Bond Market) Companies, Financial Sector Incentive (Standard Tier) Companies or Financial Sector Incentive (Capital Market) Companies (as defined in the ITA) from January 1, 2014, any Tranche of the Notes ("**Relevant Notes**") issued or to be issued as debt securities under the Program during the period from the date of this Offering Memorandum to December 31, 2023 would be Qualifying Debt Securities ("**QDS**") for the purposes of the ITA, to which the following treatment shall apply:

(a) subject to certain prescribed conditions having been fulfilled (including the submission by OCBC Bank, or such other person as the MAS may direct, to the MAS of a return on debt securities in respect of the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require and the inclusion by OCBC Bank in all offering documents relating to the Relevant Notes of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Relevant Notes is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for QDS shall not apply if the non-resident person acquires the Relevant Notes using funds from that person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively the "**Qualifying Income**") from the Relevant Notes derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Notes are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore income tax. "**Funds from Singapore operations**" means, in relation to a person, the funds and profits of that person's operations through a permanent establishment in Singapore;

(b) subject to certain conditions having been fulfilled (including the submission by OCBC Bank, or such other person as the MAS may direct, to the MAS of a return on debt securities in respect of the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require), Qualifying Income derived by any company or a body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10% (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and

(c) subject to:

    (i) OCBC Bank including in all offering documents relating to the Relevant Notes a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Relevant Notes is not exempt from tax shall include such income in a return of income made under the ITA; and

    (ii) the submission by OCBC Bank, or such other person as the MAS may direct, to the MAS of a return on debt securities in respect of the Relevant Notes in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require,

    payments of Qualifying Income derived from the Relevant Notes are not subject to withholding of tax by OCBC Bank.

Notwithstanding the foregoing:

(a) if during the primary launch of any Tranche of Relevant Notes, the Relevant Notes of such Tranche are issued to fewer than four persons and 50% or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of OCBC Bank, such Relevant Notes would not qualify as QDS; and

(b) even though a particular Tranche of Relevant Notes are QDS, if, at any time during the tenure of such Tranche of Relevant Notes, 50% or more of such Relevant Notes which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by any related party(ies) of OCBC Bank, Qualifying Income derived from such Relevant Notes held by:

    (i) any related party of OCBC Bank; or

    (ii) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of OCBC Bank,

    shall not be eligible for the tax exemption or concessionary rate of tax described above.

The term "**related party**", in relation to a person (*A*), means any other person who, directly or indirectly, controls *A*, or is controlled, directly or indirectly, by *A*, or where *A* and that other person, directly or indirectly, are under the control of a common person.

The terms "break cost", "prepayment fee" and "redemption premium" are defined in the ITA as follows:

(a) "**break cost**", in relation to debt securities and QDS, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption;

(b) "**prepayment fee**", in relation to debt securities and QDS, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities; and

(c) "**redemption premium**", in relation to debt securities and QDS, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity.

References to "**break cost**", "**prepayment fee**" and "**redemption premium**" in this Singapore tax disclosure have the same meaning as defined in the ITA.

Where interest, discount income, prepayment fee, redemption premium and break cost (i.e. the Qualifying Income) is derived from any of the Relevant Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS under the ITA (as mentioned above) shall not apply if such person acquires such Relevant Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) derived from the Relevant Notes is not exempt from tax is required to include such income in a return of income made under the ITA.

Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of the Notes as part of a trade or business carried on by that person in Singapore may be taxable as such gains are considered revenue in nature.

Noteholders or the Securityholders, as the case may be, who apply or are required to apply Singapore Financial Reporting Standard ("**FRS**") 39, FRS 109 or Singapore Financial Reporting Standard (International) 9 ("**SFRS(I) 9**") (as the case may be) for Singapore income tax purposes may be required to recognize gains or losses (not being gains or losses in the nature of capital) for tax purposes in accordance with the provisions of FRS 39, FRS 109 or SFRS(I) 9 (as the case may be) (as modified by the applicable provisions of Singapore income tax law) even though no sale or disposal of the Notes is made. See also "Adoption of FRS 39, FRS 109 and SFRS(I) 9 for Singapore Income Tax Purposes" below.

Adoption of FRS 39, FRS 109 and SFRS(I) 9 for Singapore Income Tax Purposes

Section 34A of the ITA provides for the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and "opt-out" provisions) to taxpayers who are required to comply with FRS 39 for financial reporting purposes. The IRAS has also issued a circular entitled "*Income Tax Implications Arising from the Adoption of FRS 39-Financial Instruments: Recognition and Measurement*".

FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after January 1, 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued a circular entitled "*Income Tax: Income Tax Treatment Arising from Adoption of FRS 109-Financial Instruments*".

Noteholders or the Securityholders, as the case may be, who may be subject to the tax treatment under Sections 34A or 34AA of the ITA should consult their own accounting and tax advisors regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after February 15, 2008.

Australia Taxation

Notes issued by OCBC Bank other than through its Sydney branch or by a Specified Issuer which is not an Australian resident

The following is a summary of the Australian withholding tax treatment under the Income Tax Assessment Acts of 1936 and 1997 of Australia (together, "**Australian Tax Act**"), at the date of this Offering Memorandum, of payments of interest on the Notes to be issued by OCBC Bank (other than through its Sydney branch) or by a Specified Issuer that is not an Australian resident nor otherwise carrying on business at or through a permanent establishment in Australia (each a "**non-Australian Issuer**") under the Program and certain other tax matters. It is not exhaustive and, in particular, does not deal with the position of certain classes of Noteholders or Securityholders, as the case may be, (including, dealers in securities, custodians or other third parties who hold Notes on behalf of other persons).

The summary is not intended to be, nor should it be construed as, legal or tax advice to any particular Noteholders or Securityholders. It is a general guide only and should be treated with appropriate caution. Prospective Noteholders or the Securityholders, as the case may be, who are in any doubt as to their tax position should consult their professional advisors on the tax implications of an investment in the Notes for their particular circumstances.

Interest withholding tax

So long as a non-Australian Issuer continues to be a non-resident of Australia and the Notes issued by it are not attributable to a permanent establishment of that non-Australian Issuer in Australia, payments of principal and interest made under Notes issued by it should not be subject to Australian interest withholding tax.

Other tax matters

Under Australian laws as presently in effect:

(a) Death duties. No Notes will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death.

(b) Stamp duty and other taxes. No ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue or transfer of any Notes.

(c) Other withholding taxes on payments in respect of Notes. So long as a non-Australian Issuer continues to be a non-resident of Australia and does not issue Notes in carrying on a business at or through a permanent establishment in Australia, the tax file number requirements of Part VA of the Australian Tax Act and Section 12-140 of Schedule 1 to the Taxation Administration Act 1953 of Australia ("**Taxation Administration Act**") should not apply to the non-Australian Issuer in connection with Notes issued by that non-Australian Issuer.

(d) Supply withholding tax. Payments in respect of the Notes can be made free and clear of the "supply withholding tax" imposed under Section 12-190 of Schedule 1 to the Taxation Administration Act.

(e) Goods and services tax ("**GST**"). Neither the issue nor receipt of the Notes will give rise to a liability for GST in Australia on the basis that the supply of Notes will comprise either an input taxed financial supply, a GST-free supply or a supply which is outside the scope of the GST law. Furthermore, neither the payment of principal or interest by that non-Australian Issuer nor the disposal of the Notes, would give rise to any GST liability in Australia.

Notes issued by the Sydney branch of OCBC Bank or an Australian-resident Specified Issuer

The following is a summary of the Australian withholding tax treatment under the Australian Tax Act, at the date of this Offering Memorandum, of payments of interest (as defined in the Australian Tax Act) on Notes (the "**Australian Notes**") to be issued by either the Sydney branch of OCBC Bank or a Specified Issuer that is a resident of Australia (and which is not issuing the Notes in carrying on business through a branch outside of Australia) (each an "**Australian Issuer**") under the Program and certain other tax matters. It is not exhaustive and, in particular, does not deal with the position of certain classes of holders of Australian Notes (including, dealers in securities, custodians or other third parties who hold Australian Notes on behalf of other persons).

Prospective holders of Australian Notes should also be aware that particular terms of issue of any Series of Australian Notes may affect the tax treatment of that Series of Australian Notes.

This summary is not intended to be, nor should it be construed as, legal or tax advice to any particular holder of Australian Notes. It is a general guide only and should be treated with appropriate caution. Prospective holders of Australian Notes who are in any doubt as to their tax position should consult their professional advisors on the tax implications of an investment in the Australian Notes for their particular circumstances.

Interest withholding tax

An exemption from Australian interest withholding tax imposed under Division 11A of Part III of the Australian Tax Act ("**IWT**") is available, in respect of the Australian Notes issued by an Australian Issuer under Section 128F of the Australian Tax Act if the following conditions are met:

(a) the Australian Issuer is a company as defined in Section 1 28F(9) (which includes certain companies acting as a trustee) and either a resident of Australia or a non-resident carrying on business at or through a permanent establishment in Australia when it issues those Australian Notes and when interest (as defined in Section 128A(1 AB) of the Australian Tax Act) is paid. Interest is defined to include amounts in the nature of, or in substitution for, interest and certain other amounts;

(b) those Australian Notes are "debentures" for the purposes of Section 128F of the Australian Tax Act and are issued in a manner which satisfies the public offer test. There are five principal methods of satisfying the public offer test, the purpose of which is to ensure that lenders in capital markets are aware that the Australian Issuer is offering those Australian Notes for issue. In summary, the five methods are:

    (i) offers to 10 or more unrelated persons carrying on a business of providing finance, or investing or dealing in securities, in the course of operating in financial markets;

    (ii) offers to 100 or more investors;

    (iii) offers of listed Australian Notes;

    (iv) offers via publicly available information sources; and

    (v) offers to a dealer, manager or underwriter who offers to sell those Australian Notes within 30 days by one of the preceding methods.

In addition, the issue of any of those Australian Notes (whether in global form or otherwise) and the offering of interests in any of those Australian Notes by one of these methods should satisfy the public offer test;

(a) the Australian Issuer does not know, or have reasonable grounds to suspect, at the time of issue, that those Australian Notes or interests in those Australian Notes were being, or would later be, acquired, directly or indirectly, by an "associate" (as defined in Section 128F(9) of the Australian Tax Act) of the Australian Issuer, except as permitted by Section 128F(5) of the Australian Tax Act; and

(b) at the time of the payment of interest, the Australian Issuer does not know, or have reasonable grounds to suspect, that the payee is an "associate" (as defined in Section 128F(9) of the Australian Tax Act) of the Australian Issuer, except as permitted by Section 128F(6) of the Australian Tax Act.

Compliance with Section 128F of the Australian Tax Act

Unless otherwise specified in any relevant supplement to this Offering Memorandum, the Australian Issuer intends to issue the Australian Notes in a manner which will satisfy the requirements of Section 128F of the Australian Tax Act.

The Australian Issuer intends to issue Australian Notes which will be characterized as both "debt interests" and "debentures" for the purposes of the Australian Tax Act.

Exemptions under recent tax treaties

The Australian government has signed double tax conventions ("**Specified Treaties**") with a number of countries (each a "**Specified Country**") which contain certain exemptions from IWT.

In broad terms, the Specified Treaties effectively prevent IWT applying to interest derived by:

(a) the government of the relevant Specified Country and certain governmental authorities and agencies in the Specified Country; or

(b) a "financial institution" which is a resident of a Specified Country and which is unrelated to and dealing wholly independently with the Australian Issuer. The term "financial institution" refers to either a bank or any other form of enterprise which substantially derives its profits by carrying on a business of raising and providing finance. (However, interest under a back-to-back loan or an economically equivalent arrangement will not qualify for this exemption.)

The Australian Federal Treasury maintains a listing of Australia's double tax conventions which is available to the public at the Federal Treasury Department's website.

Notes in bearer form – Section 126 of the Australian Tax Act

Section 126 of the Australian Tax Act imposes a type of withholding tax at the rate of 45% on the payment of interest on Australian Notes in bearer form if the Australian Issuer fails to disclose the names and addresses of the holders of those Australian Notes to the Australian Taxation Office.

Section 126 does not, however, apply to the payment of interest on Australian Notes in bearer form held by non-residents who do not carry on business at or through a permanent establishment in Australia where the issue of those Australian Notes has satisfied the requirements of Section 128F of the Australian Tax Act or IWT is payable.

In addition, the Australian Taxation Office has confirmed that for the purpose of Section 126 of the Australian Tax Act, the holder of debentures (such as the Australian Notes in bearer form) means the person in possession of the debentures. Section 126 is therefore limited in its application to persons in possession of Australian Notes in bearer form who are residents of Australia or non-residents who are engaged in carrying on business in Australia at or through a permanent establishment in Australia. Where interests in Australian Notes in bearer form are held through Euroclear, Clearstream, CDP or the CMU, the Australian Issuer intends to treat the operators of those clearing systems as the holders of those Australian Notes for the purposes of Section 126 of the Australian Tax Act.

Payment of additional amounts

As set out in more detail in the terms and conditions for the Australian Notes that are Senior Notes ("**Australian Senior Notes**"), and unless expressly provided to the contrary in any relevant supplement to this Offering Memorandum), if the Australian Issuer is at any time compelled or authorized by law to deduct or withhold an amount in respect of any Australian withholding taxes

imposed or levied by the Commonwealth of Australia in respect of the Australian Senior Notes, the Australian Issuer must, subject to certain exceptions, pay such additional amounts as shall result in receipt by the holders of those Australian Senior Notes of such amounts as would have been received by them had no such deduction or withholding been required. If the Australian Issuer is compelled, as a result of any change in, or amendment to, any law to deduct or withhold an amount in respect of any withholding taxes, the Australian Issuer will have the option to redeem the Australian Senior Notes, in whole but not in part, in accordance with the Conditions.

Other tax matters

Under Australian laws as presently in effect:

(a) Death duties. No Australian Notes will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death;

(b) (Stamp duty and other taxes. No ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue or transfer of any Australian Notes;

(c) Supply withholding tax. Payments in respect of the Australian Notes can be made free and clear of the "supply withholding tax" imposed under Section 12-190 of Schedule 1 to the Taxation Administration Act;

(d) TFN/ABN withholding – withholding tax is imposed, currently at the rate of 47%, on the payment of interest on certain registered securities unless the relevant payee has quoted an Australian tax file number ("**TFN**"), (in certain circumstances) an Australian Business Number ("**ABN**"), or proof of some other exception (as appropriate).

Assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Notes, then such withholding should not apply to payments to a non-Australian resident holder that is not holding the Notes in carrying on business at or through a permanent establishment in Australia;

(a) GST. Neither the issue nor receipt of the Australian Notes will give rise to a liability for GST in Australia on the basis that the supply of Australian Notes will comprise either an input taxed financial supply or (in the case of an offshore subscriber that is a non-resident of Australia) a GST-free supply. Furthermore, neither the payment of principal or interest by the Australian Issuer, nor the disposal of the Australian Notes, would give rise to any GST liability in Australia;

(b) Additional withholdings from certain payments to non-residents. The Governor-General may make regulations requiring withholding from certain payments to non-residents of Australia (other than payments of interest and other amounts which are already subject to the current IWT rules or specifically exempt from those rules). Regulations may only be made if the responsible Minister is satisfied the specified payments are of a kind that could reasonably relate to assessable income of foreign residents. The possible application of any future regulations to the proceeds of any sale of the Notes will need to be monitored; and

(c) Garnishee directions by the Commissioner of Taxation. The Commissioner may give a direction requiring the Australian Issuer to deduct from any payment to a holder of the Australian Notes any amount in respect of Australian tax payable by the holder. If the Australian Issuer is served with such a direction, then the Australian Issuer will comply with that direction and make any deduction required by that direction.

The proposed financial transactions tax ("FTT")

On February 14, 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State. The issuance and subscription of Notes should, however, be exempt.

A joint statement issued on December 8, 2015 by participating Member States (other than Estonia) indicated a high-level agreement on the scope of the FTT. However, the FTT proposal remains subject to further negotiation between the participating Member States and the scope of any such tax is uncertain. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

PLAN OF DISTRIBUTION

Subject to the terms and on the conditions contained in an amended and restated program agreement dated April 6, 2022 (the "**Program Agreement**") between OCBC Bank, the Arrangers and the Dealers, the Notes will be offered on a continuous basis by the Issuer to the Dealers. The Notes may be reoffered and resold by the relevant Dealer at a price different from their issue price, including (without limitation) at prevailing market prices, or at prices related thereto, at the time of such reoffer and resale, in each case as determined by the relevant Dealer. The Notes may also be sold by the Issuer through Dealers, acting as agents of the Issuer. The Program Agreement also provides for Notes to be issued in syndicated Tranches that are underwritten by two or more Dealers. In the Program Agreement, OCBC Bank and any other Issuer that is not OCBC Bank have severally agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Program. The Issuer may also from time to time agree with the relevant Dealer(s) that it may pay certain third parties commissions (including, without limitation, rebates to private banks). Further, the Issuer has agreed in the Program Agreement to reimburse the Dealers for certain of their expenses in connection with the issue of Notes under the Program and to indemnify the Dealers against certain liabilities incurred by them in connection with the offer and sale of the Notes. Except as otherwise indicated or as the context otherwise requires, references to "Issuer" in this "Plan of Distribution" refer to the issuer of a particular Tranche of Notes, including any Specified Issuer who has executed an accession letter agreeing to be bound by all the terms of the Program Agreement and a deed of accession agreeing to be bound by all the terms of the Agency Agreement and the Trust Deed.

In order to facilitate the offering of any Tranche of the Notes, one or more Dealers named as Stabilization Managers (or persons acting on behalf of any Stabilization Manager) in the relevant Pricing Supplement, to the extent permitted by applicable laws and regulations, may engage in transactions that stabilize, maintain or otherwise affect the market price of the relevant Notes during and after the offering of the Tranche. Specifically, such persons may over-allot or create a short position in the Notes for their own account by selling more Notes than have been sold to them by the Issuer. Such persons may also elect to cover any such short position by purchasing Notes in the open market. In addition, such persons may stabilize or maintain the price of the Notes by bidding for or purchasing Notes in the open market and may impose penalty bids, under which selling concessions allowed to syndicate members or other broker-dealers participating in the offering of the Notes are reclaimed if Notes previously distributed in the offering are repurchased in connection with stabilization transactions or otherwise. The effect of these transactions may be to stabilize or maintain the market price of the Notes at a level above that which might otherwise prevail in the open market. The imposition of a penalty bid may also affect the price of the Notes to the extent that it discourages resales thereof. No representation is made as to whether such stabilization activities will take place at all or the magnitude or effect of any such stabilizing or other transactions. Such transactions, if commenced, may be discontinued at any time. Stabilization activities are subject to certain prescribed time limits in certain jurisdictions. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any such stabilization action may only be conducted outside Australia and on a market operated outside Australia.

Under Rule 15c6-1 under the Exchange Act, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. It is expected that delivery of Notes will be made against payment therefor on the relevant Issue Date, which could be more than two business days following the date of pricing. Accordingly, purchasers who wish to trade Notes in the United States more than two business days prior to the relevant Issue Date will be required, by virtue of the fact that the Notes initially may settle beyond two business days after the trade date (T+2), to specify an alternate settlement cycle at the time

of any such trade to prevent a failed settlement. The settlement date of a series of Notes will be set out in the applicable Pricing Supplement. Purchasers who wish to trade the Notes more than two business days prior to the Issue Date should consult their own advisors. See "*Clearing and Settlement – Pre-issue Trades Settlement for Registered Notes*".

Declaration of Interest

Oversea-Chinese Banking Corporation Limited is an Issuer and is also acting as an Arranger and a Dealer in respect of the Program.

The Dealers are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Each of the Dealers and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the Issuer, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Dealers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the Issuer. The Dealers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

In connection with each Tranche of Notes issued under the Program, the Dealers or certain of their affiliates may purchase Notes and be allocated Notes for asset management and/or proprietary purposes but not with a view to distribution. In connection with each Tranche of Notes issued under the Program, the Dealers or their respective affiliates may purchase Notes for their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to such Notes and/or other securities of the Issuer or its subsidiaries or associates at the same time as the offer and sale of each Tranche of Notes or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of the Tranche of Notes to which a particular Pricing Supplement relates (notwithstanding that such selected counterparties may also be purchasers of such Tranche of Notes).

Selling Restrictions

United States

The Notes have not been and will not be registered under the Securities Act and have not been registered or qualified under any state securities or "blue sky" laws of any state of the United States, and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Rule 902(k) of Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

The Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by Code and regulations thereunder.

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that, except as permitted by the Program Agreement, it has offered and sold the Notes of any identifiable Tranche, and will offer and sell the Notes of any identifiable Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the date of issue of the Notes of such Tranche and completion of the distribution of such Tranche as determined, and such completion is certified to each relevant Dealer, by the Issuing and Paying Agent or, in the case of a syndicated issue of Notes, the lead manager, only in accordance with Rule 903 of Regulation S or (only as provided below) Rule 144A.

Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that neither it, any of its affiliates nor any persons acting on its or their behalf has engaged or will engage in any directed selling efforts with respect to the Notes, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. Each Dealer agrees to notify the Issuing and Paying Agent or, in the case of a syndicated issue of Notes, the lead manager when it has completed the distribution of its portion of the Notes of any Tranche so that the Issuing and Paying Agent or, in the case of a syndicated issue of Notes, the lead manager may determine the completion of the distribution of all Notes of such Tranche and notify the other relevant Dealers of the end of the "distribution compliance period" (as defined in Regulation S). Each Dealer agrees that, at or prior to confirmation of a sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the 40-day distribution compliance period commencing upon completion of the distribution of an identifiable Tranche as determined and certified to the Issuer a confirmation or notice to substantially the following effect:

"The securities covered hereby have not been registered under the U.S. Securities Act of 1933 (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Rule 902(k) of Regulation S) (i) as part of their distribution at any time or (ii) otherwise until the expiration of 40 days after completion of the distribution of all Notes of the Tranche of which such Notes are a part as determined and certified by the relevant Dealer, in the case of a non-syndicated issue of Notes, or the lead manager, in the case of a syndicated issue of Notes, except in accordance with Regulation S or Rule 144A under the Securities Act."

Until 40 days after the later of the date of issue and the completion of the distribution of any Notes, an offer or sale of such Notes within the United States by any Dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

In addition, unless the Pricing Supplement, pricing term sheet or subscription agreement relating to one or more Tranches specifies that the applicable TEFRA exemption is either "TEFRA C" or "TEFRA not applicable" and except with respect to Notes for which the relevant Dealer and the Issuer agree, provided that such transaction is in accordance and compliance with applicable laws, that the following restrictions shall not apply, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, in relation to each Tranche of Bearer Notes that (terms used in this paragraph have the meanings given to them by the Code and regulations thereunder, including TEFRA D):

(a) except to the extent permitted under U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) ("**TEFRA D**"), (i) it has not offered or sold, and during the restricted period it will not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person; and (ii) it has not delivered and agrees that it will not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;

(b) it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by TEFRA D;

(c) if it is a United States person, that it is acquiring the Notes in bearer form from a dealer for the purposes of resale in connection with their original issue and if it retains Notes for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. §1.163-5(c)(2)(i)(D)(6) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code);

(d) with respect to each affiliate that acquires Notes in bearer form for the purpose of offering or selling such Notes during the restricted period, it either (i) repeats and confirms the representations, warranties and agreements contained in sub-paragraphs (a) to (c) above on behalf of such affiliate or (ii) agrees that it will obtain from such affiliate for the benefit of the Issuer the representations, warranties and agreements contained in sub-paragraphs (a) to (c) above; and

(e) it has not, and agrees that it will not, enter into any written contract (as defined in U.S. Treas. Reg. §1.1 63-5(c)(2)(i)(D)(4) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code)) pursuant to which any other party to the contract (other than one of its affiliates or another Dealer) has offered or sold, or during the restricted period will offer or sell, any Notes, except where pursuant to the contract the Dealer has obtained or will obtain from that party, for the benefit of the Issuer and the relevant Dealers, the representations, warranties and agreements contained in, and that party's agreement to comply with, the provisions of sub-paragraphs (a) to (d) above.

Notes in bearer form issued pursuant to TEFRA D (other than temporary Global Notes) and any talons, receipts or coupons appertaining thereto will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".

In addition, to the extent that the Pricing Supplement, pricing term sheet or the subscription agreement relating to one or more Tranches of Bearer Notes specifies that the applicable TEFRA exemption is "TEFRA C", under U.S. Treas. Reg. §.1. 163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) ("**TEFRA C**"), Notes in bearer form must be issued and delivered outside the United States and its possessions in connection with their original issuance. In relation to each such Tranche, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that it has not offered, sold or delivered, and shall not offer, sell or deliver, directly or indirectly, Notes in bearer form within the United States or its possessions in connection with their original issuance. Further, in connection with the original issuance of Notes in bearer form, it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either such purchaser or it is within the United States or its possessions or otherwise involve its U.S. office in the offer or sale of Notes in bearer form. Terms used in this paragraph have the meanings given to them by the Code and regulations thereunder, including TEFRA C.

In connection with an offer or sale of any Notes in the United States or an offering in reliance on or pursuant to Regulation S, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that it is (a) a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act or (b) a non-U.S. person outside of the United States.

Notwithstanding anything above to the contrary, it is understood that Rule 144A Notes may be offered and sold in the United States, and in connection therewith each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that:

(a) offers, sales, resales and other transfers of Notes made in the United States that are made or approved by a Dealer (including offers, resales or other transfers made or approved by a Dealer in connection with secondary trading) shall be made with respect to Registered Notes only and shall be effected pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act;

(b) offers, sales, resales and other transfers of Notes made in the United States will be made only to institutional investors that are reasonably believed to qualify as "qualified institutional buyers" within the meaning of Rule 144A;

(c) no (i) offers or sales of any security, or solicitations of offers to buy, or other negotiations in respect of, any security, under circumstances that would require the registration of the Notes under the Securities Act will be made; or (ii) general solicitation or general advertising within the meaning of Rule 502(c) under the Securities Act will be used in connection with the offering of the Notes in the United States;

(d) such Dealer will deliver an Offering Memorandum to each "qualified institutional buyer" within the meaning of Rule 144A purchasing a Note or Notes from it pursuant to Rule 144A;

(e) each Note sold in the United States shall contain a legend stating that such Note has not been, and will not be, registered under the Securities Act, that any resale or other transfer of such Note or any interest therein may be made only:

    (i) to the Issuer or any subsidiary thereof;

    (ii) to a qualified institutional buyer in a transaction which meets the requirements of Rule 144A;

    (iii) outside the United States to a non-U.S. person pursuant to Regulation S under the Securities Act;

    (iv) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available); or

    (v) pursuant to an effective registration statement under the Securities Act.

Any resale or other transfer, or attempted resale or other transfer of Notes sold as part of a private placement in the United States made other than in compliance with the restrictions set out in (i) to (v) above shall not be recognized by the Issuer or any agent of the Issuer and shall be void.

Resale or secondary market transfer of Notes in the United States may be made in the manner and to the parties specified above and to qualified institutional buyers in transactions which meet the requirements of Rule 144A.

Each issue of other types of Notes may be subject to such additional U.S. selling restrictions as the relevant Issuer and the Dealer(s) may agree as a term of the issuance and purchase or, as the case may be, subscription of such Notes, which additional selling restrictions shall be set out in the applicable Pricing Supplement, pricing term sheet or the subscription agreement, as the case may be. Each Dealer agrees that it shall offer, sell and deliver such Notes only in compliance with such additional U.S. selling restrictions.

Prohibition of Sales to EEA Retail Investors

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

  (i) a retail client as defined in point (11) of MiFID II; or

  (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; and

(b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Prohibition of Sales to UK Retail Investors

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the UK. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of the following:

  (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or

  (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

(b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

United Kingdom

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that:

(a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Program will be required to acknowledge, that this Offering Memorandum has not been registered as a prospectus with the MAS. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018 or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA, by a relevant person which is:

(i) a corporation (which is not an accredited investor (as defined in the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

the securities or securities-based derivatives contracts (each as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law;

(d) as specified in Section 276(7) of the SFA; or

(e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

APPLICABLE FOR SUBORDINATED NOTES AND PERPETUAL CAPITAL SECURITIES ONLY

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that it has not offered or sold any Subordinated Notes or Perpetual Capital Securities or caused the Subordinated Notes or Perpetual Capital Securities to be made the subject of an invitation for subscription or purchase and will not offer or sell any Subordinated Notes or Perpetual Capital Securities or cause such Subordinated Notes or Perpetual Capital Securities to be made the subject of an invitation for subscription or purchase, to the Issuer or any of its banking group entities or associates (each as defined in MAS Notice 637).

APPLICABLE FOR SUBORDINATED NOTES AND PERPETUAL CAPITAL SECURITIES ONLY

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that it has not offered or sold any Subordinated Notes or Perpetual Capital Securities or caused the Subordinated Notes or Perpetual Capital Securities to be made the subject of an invitation for subscription or purchase and will not offer or sell any Subordinated Notes or Perpetual Capital Securities or cause such Subordinated Notes or Perpetual Capital Securities to be made the subject of an invitation for subscription or purchase, to the Issuer or any of its banking group entities or associates (each as defined in MAS Notice 637).

Japan

The Notes have not been and will not be registered for a public offering in Japan pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended (the "**Financial Instruments and Exchange Act**"). Accordingly, the Notes may not be offered or sold, and each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that it has not offered or sold and will not offer or sell the Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Australia

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that no prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (the "**Australian Corporations Act**")) in relation to the Program or any Notes has been or will be lodged with the Australian Securities and Investments Commission ("**ASIC**") or the securities exchange operated by ASX Limited (ABN 98 008 624 691) ("**ASX Limited**"). Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that it:

(a) has not offered, and will not offer for issue or sale and has not invited, and will not invite applications, for issue, or offers to purchase, the Notes in Australia (including an offer or invitation which is received by a person in Australia); and

(b) has not distributed or published, and will not distribute or publish, any draft, preliminary or definitive information memorandum, advertisement or other offering material relating to the Notes in Australia,

unless:

(i) the aggregate consideration payable by each offeree or invitee is at least A$500,000 (or its equivalent in other currencies, but disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to the investors in accordance with Part 6D.2 or Chapter 7 of the Australian Corporations Act;

(ii) the offer does not constitute an offer to a "retail client" for the purposes of Section 761G of the Australian Corporations Act;

(iii) such action complies with all applicable laws, regulations and directives; and

(iv) such action does not require any document to be lodged with ASIC or ASX Limited.

In addition, in the event that the Sydney branch of OCBC Bank or a Specified Issuer that is a resident of Australia (and not issuing the Notes through a branch outside of Australia) (each an "**Australian Issuer**") issues the Notes (the "**Australian Notes**"), the relevant Dealer has represented, warranted and agreed that it will:

(a) use reasonable endeavors to assist the Australian Issuer in ensuring that the Australian Notes are offered for sale in a manner which will allow payments of interest (as defined in Section 128A(1AB) of the Income Tax Assessment Act of 1936 of Australia (the "**Australian Tax Act**")) on the Australian Notes to be exempt from Australian interest withholding tax under Section 128F of the Australian Tax Act and, in particular, will, within 30 days of any Australian Note being issued to it offer that Australian Note:

(i) to at least 10 persons, each of whom the employees of the Dealer involved in the sale do not know or suspect to be an "associate" (as defined in Section 128F(9) of the Australian Tax Act) of any of the other offerees, and each of whom carries on a business of providing finance, or investing or dealing in securities in the course of operating in financial markets; or

(ii) as a result of negotiations being initiated publicly in electronic form, or another form, that is used in financial markets for dealing in debentures which are similar to the Australian Notes;

(b) provide such information:

(i) which is specified in any additional documentation negotiated and agreed in relation to a specific issue of the Australian Notes; or

(ii) which the Dealer is reasonably able to provide to enable the Australian Issuer to demonstrate the manner in which the Australian Notes were issued; and

(c) otherwise provide, so far as it is reasonably able to do so, any other information relating to the issuance and distribution of the Australian Notes as may reasonably be required by the Australian Issuer in order to establish that payments of interest are exempt from withholding tax under Section 128F of the Australian Tax Act,

provided that in no circumstances shall the Dealer be obligated to disclose (1) the identity of any offeree or purchaser of any Australian Note or any information from which such identity would be capable of being ascertained, or (2) any information, the disclosure of which would be contrary to, or prohibited by, any relevant law, regulation or directive or confidentiality agreement or undertaking binding on the Dealer.

In addition, the Dealer has agreed that, in connection with the primary distribution of the Australian Notes, it will not sell the Australian Notes to any person if, at the time of such sale, the employees of the Dealer involved in the sale knew or had reasonable grounds to suspect that, as a result of such sale, any Australian Note or an interest in any Australian Note was being, or would later be, acquired (directly or indirectly) by an Offshore Associate of the Australian Issuer (other than an Offshore Associate acting in the capacity of a dealer, manager or underwriter in relation to the placement of those Australian Notes or a clearing house, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Australian Corporations Act). For the avoidance of doubt, if any employee of the Dealer making the offer, effecting the sale or otherwise directly involved in the sale of the Australian Notes, does not know, or does not have reasonable grounds to suspect, that a person is an Offshore Associate of the Australian Issuer, nothing in the above obliges that Dealer to make positive enquiries of that person to confirm that person is not an Offshore Associate of the Australian Issuer.

"**Offshore Associate**" means an "**associate**" (as defined in Section 128F(9) of the Australian Tax Act) that is either:

(a) a non-resident of Australia that does not acquire the Australian Notes in carrying on a business at or through a permanent establishment in Australia; or

(b) a resident of Australia that acquires the Australian Notes in carrying on a business at or through a permanent establishment outside Australia.

Hong Kong

In relation to each Tranche of Notes issued by the Issuer, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will represent, warrant and agree, that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") other than (a) to "professional investors" as defined in the SFO and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

General

Other than with respect to the admission of the Notes to listing, trading and/or quotation by the relevant listing authorities, stock exchanges and/or quotation systems, no action has been or will be taken in any jurisdiction by the Issuer or the Dealers that would permit a public offering of Notes, or possession or distribution of any offering material in relation thereto, in any jurisdiction where action for that purpose is required. Persons into whose hands this Offering Memorandum or any Pricing Supplement comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each jurisdiction in or from which they purchase, offer, sell or deliver Notes or have in their possession or distribute such offering material, in all cases at their own expense.

None of the Issuer, the Trustee or any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating any such sale. With regard to each Tranche, the relevant Dealer will be required to comply with any additional restrictions agreed between the Issuer and the relevant Dealer and set out in the applicable Pricing Supplement.

FORM OF PRICING SUPPLEMENT RELATING TO NOTES OTHER THAN PERPETUAL CAPITAL SECURITIES

The form of Pricing Supplement that will be issued in respect of each Tranche of Notes other than the Perpetual Capital Securities, subject only to the deletion of non-applicable provisions, is set out below:

Pricing Supplement dated [●]

[OVERSEA-CHINESE BANKING CORPORATION LIMITED, acting through its [registered office/[●] branch]*/SPECIFIED ISSUER]

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the Oversea-Chinese Banking Corporation Limited

U.S.$30,000,000,000 Global Medium Term Note Program

This document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes other than the Perpetual Capital Securities (the "**Conditions**") set forth in the Offering Memorandum dated April 6, 2022 [and the supplemental Offering Memorandum dated [●]]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Memorandum [as so supplemented].

[*The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Memorandum with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes other than the Perpetual Capital Securities (the "**Conditions**") set forth in the Offering Memorandum dated April 6, 2022. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Memorandum dated April 6, 2022 [and the supplemental Offering Memorandum dated [●]], save in respect of the Conditions which are extracted from the Offering Memorandum dated April 6, 2022 and are attached hereto.]

[*The following language applies if any tranche of the Notes is intended to be "qualifying debt securities" (as defined in the Income Tax Act 1947 of Singapore).*

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Notes or coupons (if applicable) by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act 1947 of Singapore (the "**Income Tax Act**"), shall not apply if such person acquires such Notes or coupons (if applicable) using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes or coupons (if applicable) is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.]

[*Insert the following language for* an *issue of AMTNs*

The Notes will be constituted by a deed poll ("**Note (AMTN) Deed Poll**") dated July 5, 2011 executed by the Issuer and will be issued in certificated registered form by inscription on a register. The Notes are AMTNs for the purposes of the Offering Memorandum dated April 6, 2022 and the Conditions.

Notes will be offered in Australia only in the wholesale capital markets and on the basis that no disclosure to investors is required under Part 6D.2 or Chapter 7 of the Corporations Act 2001 of Australia.]

[**MIFID II PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**UK MiFIR PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in the UK MiFIR; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**")] should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement IDD, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

SINGAPORE SFA PRODUCT CLASSIFICATION – In connection with Section 309B of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are [prescribed capital markets products]/[capital markets products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and [are] [Excluded]/[Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendation on Investment Products.[1]

[Pursuant to the Monetary Authority of Singapore Act 1970 of Singapore (the "**MAS Act**") and the Monetary Authority of Singapore (Resolution of Financial Institutions) Regulations 2018 (the "**MAS Regulations**"), the Subordinated Notes would be eligible instruments (as defined in the MAS Regulations). Accordingly, should a Bail-in Certificate (as defined in the MAS Act) be issued, Subordinated Notes may be subject to cancelation, modification, conversion and/or change in form, as set out in such Bail-in Certificate.][2]

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement.]

1	Issuer:		[●]
2	(i)	Series Number:	[●]
	(ii)	Tranche Number:	[●]
	[(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).]		
3	Specified Currency or Currencies:		[●]
4	Aggregate Principal Amount:		
	(i)	Series:	[●]
	(ii)	Tranche:	[●]
5	(i)	Issue Price:	[●]% of the Aggregate Principal Amount [plus accrued interest from [*insert date*]] (*in the case of fungible issues only, if applicable*)
	(ii)	[Estimated Net Proceeds:	[●] (*Required only for 144A issues*)]

[1] For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs tore-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.

[2] To ensure that this legend is on the cover page of the Pricing Supplement when Subordinated Notes are issued.

6	(i)	Specified Denominations:	[●][3]
	(ii)	Calculation Amount:	[●]
7	(i)	Issue Date:	[●]
	(ii)	Interest Commencement Date:	[*specify a date*/Issue Date/Not Applicable]
	(iii)	Trade Date:	[●]
8		Maturity Date:	[*specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*][4]
9		Interest Basis:	[[●]% Fixed Rate] [[*specify reference rate*] +/- [●]% Floating Rate] [Zero Coupon] [Index Linked Interest] [Other (*specify*)] (further particulars specified below)
10		Redemption/Payment Basis:	[Redemption at par] [Index Linked Redemption] [Credit Linked Redemption] [Equity Linked Redemption] [Bond Linked Redemption] [Dual Currency] [Partly Paid] [Installment] [Other (*specify*)]
11		Change of Interest or Redemption/ Payment Basis:	[*Specify details of any provision for convertibility of Notes into another interest or redemption/ payment basis*]
12		Put/Call Options:	[Investor Put] [Issuer Call] [(further particulars specified below)]
13		Listing:	[SGX-ST/Other (*specify*)/None]
14		Status of Notes:	[Senior/Subordinated]
15		Method of distribution:	[Syndicated/Non-syndicated]

[3] Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies). If the Specified Denomination is expressed to be €100,000 or its equivalent and multiples of a lower nominal amount (for example €1,000), insert the following: "€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No notes in definitive form will be issued with a denomination above €199,000". If the Notes are AMTNs, insert the following: "*Subject to the requirement that the amount payable by each person who subscribed for the Notes must be at least A$500,000 (disregarding moneys lent by the Issuer or its associates).*"

[4] Note that for Renminbi or Hong Kong dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification it will be necessary to specify the Interest Payment Date falling in or nearest to the relevant month and year.

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16	**Fixed Rate Note Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Rate[(s)] of Interest:	[●]% per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
	(ii)	Interest Payment Date(s):	[●] in each year [adjusted in accordance with *[specify Business Day Convention and any applicable Business Center(s) for the definition of "Business Day"]*/not adjusted]
	(iii)	Fixed Coupon Amount[(s)]:	[●] per Calculation Amount[5]
	(iv)	Broken Amount[(s)]:	[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]
	(v)	Day Count Fraction (Condition 4(l)):	[30/360/Actual/Actual (ICMA/ISDA)/other]
	(vi)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	[Not Applicable/*give details*]
17	**Floating Rate Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Interest Period(s):	[●]
	(ii)	Specified Interest Payment Dates:	[●]
	(iii)	Interest Period Date:	[●] (*Not applicable unless different than Interest Payment Date*)
	(iv)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
	(v)	Business Center(s) (Condition 4(l)):	(*insert New York City for U.S. dollar denominated Notes to be held through DTC and for non-U.S. dollar denominated Notes where exchange into U.S. dollars is contemplated for DTC participants holding through Euroclear and Clearstream*)

[5] For Renminbi or Hong Kong dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification, the following alternative wording is appropriate: *"Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure, in the case of Renminbi denominated Fixed Rate Notes, to the nearest CNY0.01, CNY0.005 being rounded upwards or, in the case of Hong Kong dollar denominated Fixed Rate Notes, to the nearest HK$0.01, HK$0.005 being rounded upwards."*

(vi)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination/ other (*give details*)]
(vii)	Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Calculation Agent]):	[●]
(viii)	Screen Rate Determination (Conditions 4(b)(iii)(B), 4(b)(iii)(C) and 4(b)(iii)(D)):	
	– Reference Bank:	[●]
	– Reference Rate:	[EURIBOR/HIBOR/SONIA Benchmark/SOFR Benchmark/SORA Benchmark/Other (give details)]
	– Interest Determination Dates:	[●]
	– Relevant Screen Page:	[●]
	– Party responsible for calculation of Rate of Interest:	[●] (*Specify where this is not the Calculation Agent*)
	– SONIA:	[Applicable/Not Applicable]
	○ SONIA Benchmark:	[Compounded Daily SONIA/SONIA Index Average]
	○ SONIA Observation Method:	[Not Applicable/SONIA Observation Lag/SONIA Observation Shift] (*Only applicable where the Reference Rate is Compounded Daily SONIA*)
	○ SONIA Observation Lookback Days:	[Five London Business Days/[●] London Business Days]
	○ SONIA Compounded $Index_{START}$:	[Not Applicable/[●] London Business Day(s)] *(Only applicable in the case of SONIA Index Average)*
	○ SONIA Compounded $Index_{END}$:	[Not Applicable/[●] London Business Day(s)] (*Only applicable in the case of SONIA Index Average*)
	– SOFR:	[Applicable/Not Applicable]
	○ SOFR Benchmark:	[Compounded SOFR Average/SOFR Index Average]
	○ Calculation method for Compounded SOFR Average:	[Not Applicable/SOFR Observation Lag/SOFR Observation Shift/SOFR Payment Delay] (*Only applicable where the Reference Rate is Compounded SOFR Average*)

	○ SOFR [Lookback Days]/[Observation Shift Days]/[Interest Payment Delay]:	[Not Applicable/[●] U.S. Government Securities Business Day(s)] (*Only applicable where the Reference Rate is Compounded SOFR Average*)
	○ SOFR Rate Cut-Off Date:	[Not Applicable/The day that is the [●] U.S. Government Securities Business Day prior to the Interest Payment Date in relation to the relevant Interest Accrual Period] (*Only applicable in the case of SOFR Payment Delay*)
	○ SOFR $\text{Index}_{\text{START}}$:	[Not Applicable/[●] U.S. Government Securities Business Day(s)] *(Only applicable in the case of SOFR Index Average)*
	○ SOFR $\text{Index}_{\text{END}}$:	[Not Applicable/[●] U.S. Government Securities Business Day(s)] (*Only applicable in the case of SOFR Index Average*)
(ix)	ISDA Determination (Condition 4(b)(iii)(A)):	
	– Floating Rate Option:	[●]
	– Designated Maturity:	[●]
	– Reset Date:	[●]
(x)	Margin(s):	[+/-] [●]% per annum
(xi)	Minimum Rate of Interest:	[●]% per annum
(xii)	Maximum Rate of Interest:	[●]% per annum
(xiii)	Day Count Fraction (Condition 4(l)):	[●]
(xiv)	Interest Determination Date(s) (Condition 4(l)):	[●] in each year *[Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual-ICMA.]*
(xv)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different than those set out in the Conditions:	[Benchmark Discontinuation (General) (Condition 4(o)(i))/ Benchmark Discontinuation (SOFR) (Condition 4(o)(ii))/ Benchmark Discontinuation (SORA) (Condition 4(o)(iii))/ *specify other if different from those set out in the Conditions*]
	– Lookback/Suspension Period:	[Not Applicable]/[*Specify where relevant for calculation of Compounded SOFR*]

17A	Singapore Dollar Notes:	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Floating Rate Notes (Condition 4(n)(ii)):	
	– Manner in which the Rate of Interest is to be determined:	[SORA Notes/Variable Rate Notes/Other]
	– Calculation Amount:	[Specify]
	– Denomination Amount:	[Specify]
	– Interest Commencement Date:	[Specify date(s)]
	– Interest Payment Date:	[Specify date(s)]
	– Interest Period:	[Specify]
	– Interest Determination Date:	[[●] Business Days in [Singapore] prior to [specify date(s)]]
	– Relevant Time:	[11.00 a.m. (Singapore time)/Other]
	– Relevant Business Day:	[Specify]
	– Margin:	[*Give details*]
	– FRN Day Basis:	[Specify]
	(ii) SORA Notes (Condition 4(n)(ii)(B)(z)):	
	– SORA:	[Applicable/Not Applicable]
	– SORA Benchmark:	[Compounded Daily SORA/SORA Index Average]
	– Calculation method for Compounded Daily SORA:	[Not Applicable/Lookback/Backward Shifted Observation Period] *(Only applicable where the Reference Rate is Compounded Daily SORA)*
	– Observation Period Business Days:	[Not Applicable/[●] Singapore Business Day(s)] *(Only applicable where the Reference Rate is Compounded Daily SORA*
	– SORA $\text{Index}_{\text{START}}$:	[Not Applicable/[●] Singapore Business Day(s)] *(Only applicable in the case of SORA Index Average)*

		– SORA $Index_{END}$:	[Not Applicable/[●] Singapore Business Day(s)] (*Only applicable in the case of SORA Index Average*)
	(iii)	Variable Rate Notes (Condition 4(n)(iii)):	
		– Interest Commencement Date:	[Specify date(s)]
		– Interest Payment Date:	[Specify date(s)]
		– Interest Period:	[Specify date(s)]
		– Relevant Dealer:	[Specify]
		– Other terms or special conditions:	[Not applicable/*give details*]
	(iv)	Calculation Agent:	[Specify]
18	**Zero Coupon Note Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Amortization Yield (Condition 5(b)(i)(B)):	[●]% per annum
	(ii)	Any other formula/basis of determining amount payable:	[●]
19	**Credit Linked Note Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Index/Formula:	[*Give or annex details*]
	(ii)	Calculation Agent responsible for calculating the Rate of Interest and/or Interest Amount(s) (if not the [Calculation Agent]):	[●]
	(iii)	Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	[●]
	(iv)	Determination Date(s):	[●]

(v)	Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable or otherwise disrupted:	[●]
(vi)	Interest Period(s):	[●]
(vii)	Specified Interest Payment Dates:	[●]
(viii)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
(ix)	Business Center(s) (Condition 4(l)):	[●]
(x)	Minimum Rate of Interest:	[●]% per annum
(xi)	Maximum Rate of Interest:	[●]% per annum
(xii)	Day Count Fraction (Condition 4(l)):	[●]
20	**Equity Linked Note Provisions**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Index/Formula:	[*Give or annex details*]
(ii)	Calculation Agent responsible for calculating the Rate of Interest and/or Interest Amount(s) (if not the [Calculation Agent]):	[●]
(iii)	Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	[●]
(iv)	Determination Date(s):	[●]
(v)	Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable or otherwise disrupted:	[●]
(vi)	Interest Period(s):	[●]

(vii)	Specified Interest Payment Dates:	[●]
(viii)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
(ix)	Business Center(s) (Condition 4(l)):	[●]
(x)	Minimum Rate of Interest:	[●]% per annum
(xi)	Maximum Rate of Interest:	[●]% per annum
(xii)	Day Count Fraction (Condition 4(l)):	[●]
21	**Bond Linked Note Provisions**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Index/Formula:	[*Give or annex details*]
(ii)	Calculation Agent responsible for calculating the Rate of Interest and/or Interest Amount(s) (if not the [Calculation Agent]):	[●]
(iii)	Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	[●]
(iv)	Determination Date(s):	[●]
(v)	Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable or otherwise disrupted:	[●]
(vi)	Interest Period(s):	[●]
(vii)	Specified Interest Payment Dates:	[●]
(viii)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]

(ix)	Business Center(s) (Condition 4(l)):	[●]
(x)	Minimum Rate of Interest:	[●]% per annum
(xi)	Maximum Rate of Interest:	[●]% per annum
(xii)	Day Count Fraction (Condition 4(l)):	[●]
22	**Index Linked Interest Note Provisions**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Index/Formula:	[*Give or annex details*]
(ii)	Calculation Agent responsible for calculating the Rate of Interest and/or Interest Amount(s) (if not the [Calculation Agent]):	[●]
(iii)	Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	[●]
(iv)	Determination Date(s):	[●]
(v)	Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable or otherwise disrupted:	[●]
(vi)	Interest Period(s):	[●]
(vii)	Specified Interest Payment Dates:	[●]
(viii)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
(ix)	Business Center(s) (Condition 4(l)):	[●]
(x)	Minimum Rate of Interest:	[●]% per annum
(xi)	Maximum Rate of Interest:	[●]% per annum
(xii)	Day Count Fraction (Condition 4(l)):	[●]

23	**Dual Currency Note Provisions**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Rate of Exchange/Method of calculating Rate of Exchange:	[*Give details*]
	(ii) Calculation Agent responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Calculation Agent]):	[●]
	(iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable:	[●]
	(iv) Person at whose option Specified Currency(ies) is/are payable:	[●]

PROVISIONS RELATING TO REDEMPTION

24	**Call Option**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Optional Redemption Date(s):	[●] (*in the case of Subordinated Notes, insert First Call Date and each Interest Payment Date after the First Call Date*)
	(ii) Optional Redemption Amount(s) of each Note and specified denomination method, if any, of calculation of such amount(s):	[●] per Note of [●] specified denomination
	(iii) If redeemable in part:	
	(a) Minimum Redemption Amount:	[●] per Calculation Amount
	(b) Maximum Redemption Amount:	[●] per Calculation Amount
	(iv) Notice period:	[●]
25	**Put Option**	[Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
	(i) Optional Redemption Date(s):	[●]
	(ii) Optional Redemption Amount(s) of each Note and specified denomination method, if any, of calculation of such amount(s):	[●] per Calculation Amount
	(iii) Notice period:	[●]

26	**Variation instead of Redemption (Condition 5(h))**	[Applicable/Not Applicable] (*Only relevant for Subordinated Notes*)
27	**Final Redemption Amount of each Note**	[●] per Calculation Amount
28	**Early Redemption Amount**	
	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons (Condition 5(c)) or an event of default (Condition 10) and/or the method of calculating the same (if required or if different than that set out in the Conditions):	[●]

PROVISIONS RELATING TO LOSS ABSORPTION

29	Loss Absorption Option: Write-off on a Trigger Event (Condition 6(b)):	[Applicable/Not Applicable] (*Only relevant for Subordinated Notes*)
30	Loss Absorption Option: Conversion:	[Applicable – See Appendix/Not Applicable] (*Only relevant for Subordinated Notes*)

GENERAL PROVISIONS APPLICABLE TO THE NOTES

31	Form of Notes:	[**Bearer Notes:**] [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes/Certificates in the limited circumstances specified in the Permanent Global Note] [Temporary Global Note exchangeable for Definitive Notes on [●] days' notice] [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]

		(N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 5 includes language substantially to the following effect: "EUR100,000 and integral multiples of EUR1,000 in excess thereof up to and including EUR199,000". In addition, the "limited circumstances specified in the Permanent Global Note" option may have to be amended to permit such Specified Denomination construction. Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.) [**Registered Notes:**] [Regulation S Global Note (U.S.$ [●] nominal amount) registered in the name of a nominee for [DTC/a common depositary for Euroclear and Clearstream]] [Rule 144A Global Note (U.S.$[●] nominal amount) registered in the name of a nominee for [DTC/a common depositary for Euroclear and Clearstream]] [*If the Notes are AMTNs insert the following*: The Notes are AMTNs as referred to in the Offering Memorandum and will be issued in registered certificated form, constituted by the Note (AMTN) Deed Poll and take the form of entries on a register to be maintained by the Australian Agent (as defined below). Copies of the Note (AMTN) Deed Poll are available from the Australian Agent at its principal office in Sydney.]
32	Financial Center(s) (Condition 7(j)) or other special provisions relating to Payment Dates:	[Not Applicable/*give details. Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which items 16(ii), 17(v) and 19(ix) relate*] (*insert New York City for U.S. dollar denominated Notes to be held through DTC*)
33	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No. *If yes, give details*]

34	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	[Not Applicable/*give details*]
35	Details relating to Installment Notes: amount of each Installment, date on which each payment is to be made:	[Not Applicable/*give details*]
36	Redenomination, renominalization and reconventioning provisions:	[Not Applicable/The provisions [in Condition [●]] apply]
37	Consolidation provisions:	[Not Applicable/The provisions [in Condition [●]] [annexed to this Pricing Supplement apply]]
38	Other terms or special conditions:	[Not Applicable/*give details including, if any, conversion loss absorption option to be set out in the Appendix to the Pricing Supplement*]

DISTRIBUTION

39	(i) If syndicated, names of Managers:	[Not Applicable/*give names*]
	(ii) Stabilization Manager (if any):	[Not Applicable/*give name*]
40	If non-syndicated, name of Dealer:	[Not Applicable/*give name*]
41	Whether TEFRA D or TEFRA C was applicable or TEFRA rules not applicable:	[TEFRA D/TEFRA C/TEFRA not applicable] (*TEFRA* not applicable for Bearer Notes with a maturity of one year or less or Registered Notes) (*Where TEFRA D is applicable, a Bearer Note must be issued in the form of a Temporary Note exchangeable upon a U.S. tax certification for a Permanent Global Note or a Definitive Note*)
42	Additional selling restrictions:	[Not Applicable/*give details*]

OPERATIONAL INFORMATION

43	ISIN Code:	[●]
44	Common Code:	[●]
45	CUSIP:	[●]
46	CMU Instrument Number:	[●]

47	Legal Entity Identifier (LEI):	[*in the case of Oversea-Chinese Banking Corporation Limited, acting through its registered office in Singapore:* 5493007O3QFXCPOGWK22] [*in the case of Oversea-Chinese Banking Corporation Limited, acting through its registered office in Sydney, Australia:* [●]] [*insert any other relevant LEI*]
48	Any clearing system(s) other than CDP, the CMU, Austraclear, Euroclear and Clearstream and/or DTC and the relevant identification number(s):	[Not Applicable/*give name(s) and number(s)*]
49	Delivery:	Delivery [against/free of] payment
50	Additional Paying Agent(s) (if any):	[●] [*If the Notes are AMTNs, insert the following*: BTA Institutional Services Australia Limited (ABN 48 002 916 396) has been appointed under the Agency and Registry Services Agreement dated July 5, 2011 as issuing and paying agent and registrar ("**Australian Agent**") in respect of the Notes. The Australian Agent's address is Level 2, 1 Bligh Street, Sydney NSW 2000, Australia]
51	The Agents appointed in respect of the Notes are:	[●]

GENERAL INFORMATION

52	The aggregate principal amount of Senior Notes issued has been translated into U.S. dollars at the rate of [●], producing a sum of Senior Notes not denominated in U.S. dollars:	[Not Applicable/U.S.$[●]]
53	Governing law of Notes:	[English[, save that the provisions of the subordination, set-off and payment void, default and enforcement Conditions in Condition 3(b), Condition 3(c), Condition 3(d), Condition 10(b)(ii) and Condition 10(b)(iii) are governed by, and shall be construed in accordance with, Singapore law]/Singapore/New South Wales, Australia]

[**PURPOSE OF PRICING SUPPLEMENT**

This Pricing Supplement comprises the final terms required for the issue and admission to trading on the [specify relevant stock exchange/market] of the Notes described herein pursuant to the U.S.$30,000,000,000 Global Medium Term Note Program of Oversea-Chinese Banking Corporation Limited.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By: _____
Duly authorized

[By: _____
Duly authorized]*

[*Two signatories required where the Issuer is Oversea-Chinese Banking Corporation Limited.]

FORM OF PRICING SUPPLEMENT RELATING TO PERPETUAL CAPITAL SECURITIES

The form of Pricing Supplement that will be issued in respect of each Tranche of Perpetual Capital Securities, subject only to the deletion of non-applicable provisions, is set out below:

Pricing Supplement dated [●]

OVERSEA-CHINESE BANKING CORPORATION LIMITED

Issue of [Aggregate Nominal Amount of Tranche] [Title of Perpetual Capital Securities]
under the Oversea-Chinese Banking Corporation Limited

U.S.$30,000,000,000 Global Medium Term Note Program

This document constitutes the Pricing Supplement relating to the issue of Perpetual Capital Securities described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Perpetual Capital Securities (the "**Conditions**") set forth in the Offering Memorandum dated April 6, 2022 [and the supplemental Offering Memorandum dated [●]]. This Pricing Supplement contains the final terms of the Perpetual Capital Securities and must be read in conjunction with such Offering Memorandum [as so supplemented].

[*The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Memorandum with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Perpetual Capital Securities (the "**Conditions**") set forth in the Offering Memorandum dated April 6, 2022. This Pricing Supplement contains the final terms of the Perpetual Capital Securities and must be read in conjunction with the Offering Memorandum dated April 6, 2022 [and the supplemental Offering Memorandum dated [●]], save in respect of the Conditions which are extracted from the Offering Memorandum dated April 6, 2022 and are attached hereto.]

[*The following language applies if any tranche of the Perpetual Capital Securities is intended to be "qualifying debt securities" (as defined in the Income Tax Act 1947 of Singapore).*

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Perpetual Capital Securities or coupons (if applicable) by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act 1947 of Singapore (the "**Income Tax Act**"), shall not apply if such person acquires such Perpetual Capital Securities or coupons (if applicable) using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Perpetual Capital Securities or coupons (if applicable) is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.]

[**MIFID II PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Perpetual Capital Securities has led to the conclusion that: (i) the target market for the Perpetual Capital Securities is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and

(ii) all channels for distribution of the Perpetual Capital Securities to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Perpetual Capital Securities (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Perpetual Capital Securities (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**UK MiFIR PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Perpetual Capital Securities has led to the conclusion that: (i) the target market for the Perpetual Capital Securities is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in the UK MiFIR; and (ii) all channels for distribution of the Perpetual Capital Securities to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Perpetual Capital Securities (a "**distributor**")] should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Perpetual Capital Securities (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Perpetual Capital Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Perpetual Capital Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Perpetual Capital Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Perpetual Capital Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement IDD, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Perpetual Capital Securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Perpetual Capital Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

SINGAPORE SFA PRODUCT CLASSIFICATION – In connection with Section 309B of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore

(the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Perpetual Capital Securities are [prescribed capital markets products]/[capital markets products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and [are] [Excluded]/[Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendation on Investment Products.[1]

Pursuant to the Monetary Authority of Singapore Act 1970 of Singapore (the "**MAS Act**") and the Monetary Authority of Singapore (Resolution of Financial Institutions) Regulations 2018 (the "**MAS Regulations**"), the Perpetual Capital Securities would be eligible instruments (as defined in the MAS Regulations). Accordingly, should a Bail-in Certificate (as defined in the MAS Act) be issued, Perpetual Capital Securities may be subject to cancelation, modification, conversion and/or change in form, as set out in such Bail-in Certificate.[2]

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement.]

1	Issuer:		Oversea-Chinese Banking Corporation Limited
2	(i)	Series Number:	[●]
	(ii)	Tranche Number:	[●]
	[(If fungible with an existing Series, details of that Series, including the date on which the Perpetual Capital Securities become fungible).]		
3	Specified Currency or Currencies:		[●]
4	Aggregate Principal Amount:		
	(i)	Series:	[●]
	(ii)	Tranche:	[●]
5	(i)	Issue Price:	[●]% of the Aggregate Principal Amount [plus accrued Distributions from [*insert date*]] (*in the case of fungible issues only, if applicable*)
	(ii)	[Estimated Net Proceeds:	[●] (*Required only for 144A issues*)]
6	(i)	Specified Denominations:	[●][3]
	(ii)	Calculation Amount:	[●]

[1] For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs to re-classify the Perpetual Capital Securities pursuant to Section 309B of the SFA prior to the launch of the offer.

[2] *To ensure that this legend is on the cover page of the Pricing Supplement.*

[3] Perpetual Capital Securities (including Perpetual Capital Securities denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 of the FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies). If the Specified Denomination is expressed to be €100,000 or its equivalent and multiples of a lower nominal amount (for example €1,000), insert the following: "€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Perpetual Capital Securities in definitive form will be issued with a denomination above €199,000".

7	(i) Issue Date:	[●]
	(ii) Distribution Commencement Date:	[*specify a date*/Issue Date/Not Applicable]
	(iii) Trade Date:	[●]
8	Maturity Date:	[*specify date or (for Floating Rate Perpetual Capital Security) Distribution Payment Date falling in or nearest to the relevant month and year*][4]
9	Distribution Basis:	[[●]% Fixed Rate] [[*specify reference rate*] +/- [●]% Floating Rate] (further particulars specified below)
10	Redemption/Payment Basis:	[Redemption at par] [Other (*specify*)]
11	Change of Distribution or Redemption/ Payment Basis:	[*Specify details of any provision for convertibility of Distribution into another Distribution or redemption/payment basis*]
12	Call Options:	[Issuer Call] [(further particulars specified below)]
13	Listing:	[SGX-ST/Other (*specify*)/None]
14	Status of Perpetual Capital Securities:	Subordinated
15	Method of distribution:	[Syndicated/Non-syndicated]

PROVISIONS RELATING TO DISTRIBUTION (IF ANY) PAYABLE

16	**Fixed Rate Perpetual Capital Security Provisions**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Rate[(s)] of Distribution:	[●]% per annum [payable [annually/ semi-annually/quarterly/monthly] in arrear]
	(a) Reset	[Applicable/Not Applicable]
	(A) First Reset Date	[●]
	(B) Reset Date(s)	The First Reset Date and each date falling every [●] after the First Reset Date
	(C) Relevant Rate	[●]
	(D) Initial Spread	[●]

[4] Note that for Renminbi or Hong Kong dollar denominated Fixed Rate Perpetual Capital Securities where the Distribution Payment Dates are subject to modification it will be necessary to specify the Distribution Payment Date falling in or nearest to the relevant month and year.

	(b) Initial Distribution Rate:	[●]% per annum [payable [annually/ semi-annually/quarterly/monthly] in arrear]
(ii)	Distribution Period(s):	[●]
(iii)	Distribution Payment Date(s):	[●] in each year [adjusted in accordance with *[specify Business Day Convention and any applicable Business Center(s) for the definition of "Business Day"]*/not adjusted]
(iv)	Fixed Distribution Amount[(s)]:	[●] per Calculation Amount[5]
(v)	Broken Amount[(s)]:	[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]
(vi)	Day Count Fraction (Condition 4(i)):	[30/360/Actual/Actual (ICMA/ISDA)/other]
(vii)	Other terms relating to the method of calculating interest for Fixed Rate Perpetual Capital Securities:	[Not Applicable/*give details*]
17	**Floating Rate Provisions**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Distribution Period(s):	[●]
(ii)	Specified Distribution Payment Dates:	[●]
(iii)	Distribution Period Date:	[●] (*Not applicable unless different than Distribution Payment Date*)
(iv)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
(v)	Business Center(s) (Condition 4(i)):	(*insert New York City for U.S. dollar denominated Perpetual Capital Securities to be held through DTC and for non-U.S. dollar denominated Perpetual Capital Securities where exchange into U.S. dollars is contemplated for DTC participants holding through Euroclear and Clearstream*)

[5] For Renminbi or Hong Kong dollar denominated Fixed Rate Perpetual Capital Securities where the Distribution Payment Dates are subject to modification, the following alternative wording is appropriate: *"Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Distribution and the Calculation Amount by the Day Count Fraction and rounding the resultant figure, in the case of Renminbi denominated Fixed Rate Perpetual Capital Securities, to the nearest CNY0.01, CNY0.005 being rounded upwards or, in the case of Hong Kong dollar denominated Fixed Rate Perpetual Capital Securities, to the nearest HK$0.01, HK$0.005 being rounded upwards."*

(vi)	Manner in which the Rate(s) of Distribution is/are to be determined:	[Screen Rate Determination/ISDA Determination/ other (*give details*)]
(vii)	Party responsible for calculating the Rate(s) of Distribution and Distribution Amount(s) (if not the [Calculation Agent]):	[●]
(viii)	Screen Rate Determination (Condition 4(b)(iii)(B)):	
	– Reference Bank:	[●]
	– Reference Rate:	[EURIBOR/HIBOR/SONIA Benchmark/SOFR Benchmark/SORA Benchmark/Other (*give details*)]
	– Distribution Determination Dates:	[●]
	– Relevant Screen Page:	[●]
	– Party responsible for calculation of Rate of Interest:	[●] (*Specify where this is not the Calculation Agent*)
	– SONIA:	[Applicable/Not Applicable]
	○ SONIA Benchmark:	[Compounded Daily SONIA/SONIA Index Average]
	○ SONIA Observation Method:	[Not Applicable/SONIA Observation Lag/SONIA Observation Shift] (*Only applicable where the Reference Rate is Compounded Daily SONIA*)
	○ SONIA Observation Lookback Days:	[Five London Business Days/[●] London Business Days]
	○ SONIA Compounded $Index_{START}$:	[Not Applicable/[●] London Business Day(s)] *(Only applicable in the case of SONIA Index Average)*
	○ SONIA Compounded $Index_{END}$:	[Not Applicable/[●] London Business Day(s)] (*Only applicable in the case of SONIA Index Average*)
	– SOFR:	[Applicable/Not Applicable]
	○ SOFR Benchmark:	[Compounded SOFR Average/SOFR Index Average]
	○ Calculation method for Compounded SOFR Average:	[Not Applicable/SOFR Observation Lag/SOFR Observation Shift/SOFR Payment Delay] (*Only applicable where the Reference Rate is Compounded SOFR Average*)

	○ SOFR [Lookback Days]/[Observation Shift Days]/[Interest Payment Delay]:	[Not Applicable/[●] U.S. Government Securities Business Day(s)] (*Only applicable where the Reference Rate is Compounded SOFR Average*)
	○ SOFR Rate Cut-Off Date:	[Not Applicable/The day that is the [●] U.S. Government Securities Business Day prior to the Interest Payment Date in relation to the relevant Interest Accrual Period] (*Only applicable in the case of SOFR Payment Delay*)
	○ SOFR $\text{Index}_{\text{START}}$:	[Not Applicable/[●] U.S. Government Securities Business Day(s)] (Only applicable in the case of SOFR Index Average)
	○ SOFR $\text{Index}_{\text{END}}$:	[Not Applicable/[●] U.S. Government Securities Business Day(s)] (*Only applicable in the case of SOFR Index Average*)
(ix)	ISDA Determination (Condition 4(b)(iii)(A)):	
	– Floating Rate Option:	[●]
	– Designated Maturity:	[●]
	– Reset Date:	[●]
(x)	Margin(s):	[+/-] [●]% per annum
(xi)	Minimum Rate of Distribution:	[●]% per annum
(xii)	Maximum Rate of Distribution:	[●]% per annum
(xiii)	Day Count Fraction (Condition 4(i)):	[●]
(xiv)	Distribution Determination Date(s) (Condition 4(a)):	[●] in each year *[Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual-ICMA.]*
(xv)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Perpetual Capital Securities, if different than those set out in the Conditions:	[Benchmark Discontinuation (General) (Condition 4(l)(i))/Benchmark Discontinuation (SOFR) (Condition 4(l)(ii))/Benchmark Discontinuation (SORA) (Condition 4(l)(iv))/specify other if different from those set out in the Conditions]
	– Lookback/Suspension Period	[Not Applicable]/[*Specify where relevant for calculation of Compounded SOFR*]

17A	Singapore Dollar Perpetual Capital Securities:	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Floating Rate Perpetual Capital Securities (Condition 4(b)):	
	– Manner in which the Rate of Interest is to be determined:	[SORA Perpetual Capital Securities/Other]
	– Calculation Amount:	[Specify]
	– Denomination Amount:	[Specify]
	– Distribution Commencement Date:	[Specify date(s)]
	– Distribution Payment Date:	[Specify date(s)]
	– Distribution Period:	[Specify]
	– Distribution Determination Date:	[[●] Business Days in [Singapore] prior to [specify date(s)]]
	– Relevant Time:	[11.00 a.m. (Singapore time)/Other]
	– Relevant Business Day:	[Specify]
	– Margin:	[*Give details*]
	– FRN Day Basis:	[Specify]
	(ii) SORA Perpetual Capital Securities (Condition 4(k)(ii)(B)(z)):	
	– SORA:	[Applicable/Not Applicable]
	– SORA Benchmark:	[Compounded Daily SORA/SORA Index Average]
	– Calculation method for Compounded Daily SORA:	[Not Applicable/Lookback/Backward Shifted Observation Period] *(Only applicable where the Reference Rate is Compounded Daily SORA)*
	– Observation Period Business Days:	[Not Applicable/[●] Singapore Business Day(s)] *(Only applicable where the Reference Rate is Compounded Daily SORA)*
	– SORA $\text{Index}_{\text{START}}$:	[Not Applicable/[●] Singapore Business Day(s)] *(Only applicable in the case of SORA Index Average)*
	– SORA $\text{Index}_{\text{END}}$:	[Not Applicable/[●] Singapore Business Day(s)]

		(*Only applicable in the case of SORA Index Average*)
	(iii) Calculation Agent:	[Specify]

PROVISIONS RELATING TO REDEMPTION

18	**Call Option**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Optional Redemption Date(s):	[●] (*insert First Call Date and each Interest Payment Date after the First Call Date*)
	(ii) Optional Redemption Amount(s) of each Perpetual Capital Security and specified denomination method, if any, of calculation of such amount(s):	[●] per Perpetual Capital Security of [●] specified denomination
	(iii) If redeemable in part:	
	(a) Minimum Redemption Amount:	[●] per Calculation Amount
	(b) Maximum Redemption Amount:	[●] per Calculation Amount
	(iv) Notice period:	[●]
19	**Variation instead of Redemption (Condition 6(f))**	[Applicable/Not Applicable]
20	**Final Redemption Amount of each Perpetual Capital Security**	[●] per Calculation Amount
21	**Early Redemption Amount**	
	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons (Condition 6(c)) and/or the method of calculating the same (if required or if different than that set out in the Conditions):	[●]

PROVISIONS RELATING TO LOSS ABSORPTION

22	Loss Absorption Option: Write-off on a Trigger Event (Condition 7(b)):	[Applicable/Not Applicable]
23	Loss Absorption Option: Conversion:	[Applicable – See Appendix/Not Applicable]

GENERAL PROVISIONS APPLICABLE TO THE PERPETUAL CAPITAL SECURITIES

24	Form of Perpetual Capital Securities:	[Regulation S Global Certificate (U.S.$ [●] nominal amount) registered in the name of a nominee for [DTC/a common depositary for Euroclear and Clearstream]] [Rule 144A Global Certificate (U.S.$[●] nominal amount) registered in the name of a nominee for [DTC/a common depositary for Euroclear and Clearstream]]
25	Financial Center(s) (Condition 8(f)) or other special provisions relating to Payment Dates:	[Not Applicable/*give details. Note that this paragraph relates to the date and place of payment, and not Distribution period end dates, to which items 16(iii) and 17(v) relate*] (*insert New York City for U.S. dollar denominated Notes to be held through DTC*)
26	Other terms or special conditions:	[Not Applicable/*give details including, if any, conversion loss absorption option to be set out in the Appendix to the Pricing Supplement*]

DISTRIBUTION

27	(i) If syndicated, names of Managers:	[Not Applicable/*give names*]
	(ii) Stabilization Manager (if any):	[Not Applicable/*give name*]
28	If non-syndicated, name of Dealer:	[Not Applicable/*give name*]
29	Whether TEFRA D or TEFRA C was applicable or TEFRA rules not applicable:	TEFRA not applicable
30	Additional selling restrictions:	[Not Applicable/*give details*]

OPERATIONAL INFORMATION

31	ISIN Code:	[●]
32	Common Code:	[●]
33	CUSIP:	[●]
34	CMU Instrument Number:	[●]
35	Legal Entity Identifier (LEI)	[*in the case of Oversea-Chinese Banking Corporation Limited, acting through its registered office in Singapore:* 5493007O3QFXCPOGWK22] [*insert any other relevant LEI*]

36	Any clearing system(s) other than CDP, the CMU, Euroclear and Clearstream and/or DTC and the relevant identification number(s):	[Not Applicable/*give name(s) and number(s)*]
37	Delivery:	Delivery [against/free of] payment
38	Additional Paying Agent(s) (if any):	[●]
39	The Agents appointed in respect of the Perpetual Capital Securities are:	[●]

GENERAL INFORMATION

40	The aggregate principal amount of Perpetual Capital Securities issued has been translated into U.S. dollars at the rate of [●], producing a sum of Perpetual Capital Securities not denominated in U.S. dollars:	[Not Applicable/U.S.$ [●]]
41	Governing law of Perpetual Capital Securities:	[English[, save that the provisions of the subordination, set-off and payment void, default and enforcement Conditions in Condition 3(a), Condition 3(b), Condition 3(c), Condition 11(b) and Condition 11(c) are governed by, and shall be construed in accordance with, Singapore law]/Singapore]

[**PURPOSE OF PRICING SUPPLEMENT**

This Pricing Supplement comprises the final terms required for the issue and admission to trading on the [specify relevant stock exchange/market] of the Perpetual Capital Securities described herein pursuant to the U.S.$30,000,000,000 Global Medium Term Note Program of Oversea-Chinese Banking Corporation Limited.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By: _____
Duly authorized

[By: _____
Duly authorized]*

[*Two signatories required where the Issuer is Oversea-Chinese Banking Corporation Limited.]

CLEARING AND SETTLEMENT

The following is a summary of the rules and procedures of Euroclear and Clearstream, CDP, the CMU, DTC and Austraclear System (together, the "**Clearing Systems**"), currently in effect, as they relate to clearing and settlement of transactions involving the Notes. The rules and procedures of these systems are subject to change at any time. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Arrangers, any Dealer nor any party to the Agency Agreement and the Singapore Supplemental Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. The applicable Pricing Supplement will specify the Clearing System(s) and/or clearing system(s) applicable for each Series.

The Clearing Systems

DTC

DTC has advised us that it is a limited purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the U.S. Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC holds and provides assets servicing for securities that its participants ("**Participants**") deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. DTC is owned by a number of its direct participants ("**Direct Participants**"), which include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**").

Under the rules, regulations and procedures creating and affecting DTC and its operations (the "**Rules**"), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC's book-entry settlement system ("**DTC Notes**") as described below and receives and transmits distributions of principal and interest (in respect of the Notes other than the Perpetual Capital Securities) or Distribution (in respect of the Perpetual Capital Securities only), as applicable, on DTC Notes. The Rules are on file with the U.S. Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes ("**Owners**") have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC's records. The ownership interest of each actual purchaser of each DTC Note ("**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the

Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co, or such other nominee as may be requested by an authorized representative of DTC. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to DTC Notes, unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to us as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy). Payments of principal and interest (in respect of the Notes other than the Perpetual Capital Securities) or Distribution (in respect of the Perpetual Capital Securities only), as applicable, on the DTC Notes will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the due date for payment in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the due date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest (in respect of the Notes other than the Perpetual Capital Securities) or Distribution (in respect of the Perpetual Capital Securities only), as applicable, to DTC is the responsibility of the Issuer, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

Under certain circumstances, including if there is an Event of Default or a Default under the Notes, DTC will exchange the DTC Notes for definitive Registered Notes, which it will distribute to its Participants in accordance with their proportionate entitlements and which, if representing interests in a Rule 144A Global Certificate, will be legended as set forth under "Transfer Restrictions".

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Beneficial Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Notes, will be required to withdraw its Registered Notes from DTC as described below.

Euroclear and Clearstream

Each of Euroclear and Clearstream holds securities for participating organizations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Indirect access to Euroclear or Clearstream is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly. Euroclear and Clearstream have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Distributions of amounts payable with respect to book-entry interests in the Notes held through Euroclear or Clearstream will be credited, to the extent received by the Issuing and Paying Agent, to the cash accounts of Euroclear or Clearstream participants in accordance with the relevant system's rules and procedures.

Each of the persons shown in the records of Euroclear, Clearstream or an Alternative Clearing System as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream or any such Alternative Clearing System (as the case may be) for his share of each payment made by us to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against us in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and our obligations will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

Beneficial ownership in Notes will be held through financial institutions as direct and indirect participants in Euroclear and Clearstream.

The aggregate holdings of book-entry interests in the Notes in Euroclear and Clearstream will be reflected in the book-entry accounts of each such institution. Euroclear and Clearstream, as the case may be, and every other intermediate holder in the chain to the beneficial owner of book-entry interests in the Notes, will be responsible for establishing and maintaining accounts for their participants and customers having interests in the book-entry interest in the Notes. The Issuing and Paying Agent will be responsible for ensuring that payments received by it from us for holders of interests in the Notes holding through Euroclear and Clearstream are credited to Euroclear or Clearstream, as the case may be.

We will not impose any fees in respect of the Notes, however, holders of book entry interests in the Notes may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear and Clearstream.

The CMU

The CMU is a central depositary service provided by the Central Moneymarkets Unit of the HKMA (the "**HKMA**") for the safe custody and electronic trading between the members of this service ("**CMU Members**") of Exchange Fund Bills and Notes Clearing and Settlement Service securities and capital markets instruments (together, "**CMU Instruments**") which are specified in the CMU Service Reference Manual as capable of being held within the CMU. The CMU is only available to CMU Instruments issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such persons. Membership of the CMU is open to all financial institutions regulated by the Hong Kong Monetary Authority, Securities and Futures Commission, Insurance Authority or Mandatory Provident Fund Schemes Authority. For further details on the full range of the CMU's custodial services, please refer to the CMU Reference Manual.

The CMU has an income distribution service which is a service offered by the CMU to facilitate the distribution of interest, coupon or redemption proceeds (collectively, the "**income proceeds**") by CMU Members who are paying agents to the legal title holders of CMU Instruments via the CMU system. Furthermore, the CMU has a corporate action platform which allows an issuer (or its agent) to make an announcement/notification of a corporate action and noteholders to submit the relevant certification. For further details, please refer to the CMU Reference Manual. An investor holding an interest through an account with either Euroclear or Clearstream in any Notes held in the CMU will hold that interest through the respective accounts which Euroclear and Clearstream each have with the CMU.

CDP

In respect of Notes which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities ("**Depository System**") maintained by CDP. Notes that are to be listed on the SGX-ST may be cleared through CDP.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organization. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

In respect of Notes which are accepted for clearance by CDP, the entire issue of the Notes is to be held by CDP in the form of a global note for persons holding the Notes in securities accounts with CDP ("**Depositors**"). Delivery and transfer of Notes between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors.

Settlement of over-the-counter trades in the Notes through the Depository System may only be effected through securities sub-accounts held with corporate depositors ("**Depository Agents**"). Depositors holding the Notes in direct securities accounts with CDP, and who wish to trade Notes through the Depository System, must transfer the Notes to be traded from such direct securities accounts to a securities sub-account with a Depository Agent for trade settlement.

CDP is not involved in money settlement between Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payment of interest or Distribution, as applicable, and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfer of interests in the Notes in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither we, the CDP Paying Agent nor any other agent will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

Book-Entry Ownership

This section does not apply to AMTNs.

Bearer Notes

We will make applications to Clearstream and Euroclear for acceptance in their respective book-entry systems in respect of any Series of Bearer Notes. We may also apply to have Bearer Notes accepted for clearance through the CMU or CDP. In respect of Bearer Notes, a Temporary Global Note and/or a Permanent Global Note in bearer form without coupons will be deposited with a common depositary for Clearstream and Euroclear and/or a sub-custodian for the CMU or CDP. Transfers of interests in a Temporary Global Note or a Permanent Global Note will be made in accordance with the normal Euromarket debt securities operating procedures of Clearstream and Euroclear or the CMU or CDP. Each Global Note will have an ISIN and a Common Code or, if lodged with a sub-custodian for the CMU, will have a CMU Instrument Number.

Registered Notes

We will make applications to Clearstream and Euroclear and we may make applications to the CMU or CDP for acceptance in their respective book-entry systems in respect of the Unrestricted Notes to be represented by each Unrestricted Global Certificate. Each Unrestricted Global Certificate will have an ISIN and a Common Code or, if lodged with a sub-custodian for the CMU, will have a CMU Instrument Number.

We will make applications to DTC for acceptance in its book-entry settlement system of the Unrestricted Notes and/or the Restricted Notes represented by each Global Certificate. Each Global Certificate accepted for clearance in DTC will have a Committee on the Uniform Security Identification Procedure ("**CUSIP**") number. Each Restricted Global Certificate will be subject to restrictions on transfer contained in a legend appearing on the front of such Certificate, as set out under "Transfer Restrictions". In certain circumstances, as described below in "Transfers of Registered Notes", transfers of interests in a Restricted Global Certificate may be made as a result of which such legend is no longer applicable.

The custodian with whom the Global Certificates are deposited (the "**Custodian**") and DTC will electronically record the nominal amount of the individual beneficial interests represented by such Global Certificate to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer. Ownership of beneficial interests in such a Global Certificate will be limited to Direct Participants or Indirect Participants, including, in the case of any Regulation S Global Certificate, the respective depositaries of Euroclear and Clearstream. Ownership of beneficial interests in a Global Certificate accepted by DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments of the principal of, and interest on, each Global Certificate registered in the name of DTC's nominee will be to or to the order of its nominee as the registered owner of such Global Certificate. We expect that the nominee, upon receipt of any such payment, will immediately credit DTC participants' accounts with payments in amounts proportionate to their respective beneficial interests in the nominal amount of the relevant Global Certificate as shown on the records of DTC

or the nominee. We also expect that payments by DTC participants to owners of beneficial interests in such Global Certificate held through such DTC participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC participants. Neither we nor any Paying Agent or any Transfer Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in the Global Certificates or for maintaining, supervising or reviewing any records relating to such ownership interests.

All Registered Notes will initially be in the form of an Unrestricted Global Certificate and/or a Restricted Global Certificate. Individual definitive Registered Notes will only be available, in the case of Unrestricted Notes, in amounts specified in the applicable Pricing Supplement, and, in the case of Restricted Notes, in amounts of U.S.$200,000 (or its equivalent in other currencies), or higher integral multiples of U.S.$1,000 (or its equivalent in other currencies), in certain limited circumstances described below.

Individual Certificates

Registration of title to Registered Notes in a name other than a depositary or its nominee for Clearstream and Euroclear or a sub-custodian for the CMU or for CDP or for DTC will not be permitted unless (i) in the case of Restricted Notes, DTC notifies us that it is no longer willing or able to discharge properly its responsibilities as depositary with respect to the Restricted Global Certificate, or ceases to be a "clearing agency" registered under the Exchange Act, or is at any time no longer eligible to act as such and we are unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC, (ii) in the case of Unrestricted Notes, Clearstream or Euroclear is or a sub-custodian for CMU or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does, in fact, do so or, if such Global Certificate is held on behalf of CDP, and there shall have occurred and be continuing an Event of Default or Default or CDP is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise), or CDP announces an intention permanently to cease business and no Alternative Clearing System is available or CDP has notified us that it is unable or unwilling to act as depository for the Notes and to continue performing its duties under the Master Depository Services Agreement and no Alternative Clearing System is available or (iii) we provide our consent.

In such circumstances, we will cause sufficient individual definitive Registered Notes to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant Noteholder(s). A person having an interest in a Global Certificate must provide the Registrar with:

(a) a written order containing instructions and such other information as we and the Registrar may require to complete, execute and deliver such individual definitive Registered Notes; and

(b) in the case of a Restricted Global Certificate only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange, or in the case of a simultaneous resale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Individual definitive Registered Notes issued pursuant to this paragraph (ii) shall bear the legends applicable to transfers pursuant to Rule 144A.

Transfers of Registered Notes

Transfers of interests in Global Certificates within Clearstream, Euroclear, DTC, the CMU and CDP will be effected in accordance with the usual rules and operating procedures of the relevant clearing system. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities. Consequently, the ability to transfer interests in a Restricted Global Certificate to such persons may be limited. Because DTC can only act on behalf of direct participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Restricted Global Certificate to pledge such interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

Beneficial interests in an Unrestricted Global Certificate may be held only through CDP, Clearstream or Euroclear. In the case of Registered Notes to be cleared through Clearstream, Euroclear and/or DTC, transfers may be made at any time by a holder of an interest in an Unrestricted Global Certificate to a transferee who wishes to take delivery of such interest through the Restricted Global Certificate for the same Series of Notes provided that any such transfer made on or prior to the expiration of the Distribution Compliance Period (as defined in "Plan of Distribution") relating to the Notes represented by such Unrestricted Global Certificate will only be made upon receipt by the Registrar or any Transfer Agent of a written certificate from Euroclear or Clearstream, as the case may be (based on a written certificate from the transferor of such interest), to the effect that such transfer is being made to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities law of any state of the United States or any other jurisdiction. Any such transfer made thereafter of the Notes represented by such Unrestricted Global Certificate will only be made upon request through Clearstream or Euroclear by the holder of an interest in the Unrestricted Global Certificate to the U.S. Paying Agent and receipt by the U.S. Paying Agent of details of that account at DTC to be credited with the relevant interest in the Restricted Global Certificate. Transfers at any time by a holder of any interest in the Restricted Global Certificate to a transferee who takes delivery of such interest through an Unrestricted Global Certificate will only be made upon delivery to the Registrar or any Transfer Agent of a certificate setting forth compliance with the provisions of Regulation S and giving details of the account at Euroclear or Clearstream, as the case may be, and DTC to be credited and debited, respectively, with an interest in the relevant Global Certificates.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described above and under "Transfer Restrictions", cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream or Euroclear, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Custodian, the Registrar and the U.S. Paying Agent.

On or after the Issue Date for any Series of Registered Notes, transfers of Notes of such Series between accountholders in Clearstream and Euroclear and transfers of Notes of such Series between participants in DTC will generally have a settlement day two business days after the trade date (T+2). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream and Euroclear, on the other, transfers of interests in the relevant Global Certificates will be effected through the U.S. Paying Agent, the Custodian and the Registrar receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. Transfers will be effected on the later of (i) three business days after the trade date for the disposal of the interest in the relevant Global Certificate resulting in such transfer and (ii) two business days after receipt by the

U.S. Paying Agent or the Registrar, as the case may be, of the necessary certification or information to effect such transfer. In the case of cross-market transfers, settlement between Euroclear or Clearstream and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

For a further description of restrictions on transfer of Registered Notes, see "Transfer Restrictions".

DTC will take any action permitted to be taken by a holder of Registered Notes (including, without limitation, the presentation of Restricted Global Certificates for exchange as described above) only at the direction of one or more participants in whose account with DTC interests in Restricted Global Certificates are credited and only in respect of such portion of the aggregate nominal amount of the relevant Restricted Global Certificates as to which such participant or participants has or have given such direction. However, in the circumstances described above, DTC will surrender the relevant Restricted Global Certificates for exchange for individual definitive Registered Notes (which will, in the case of Restricted Notes, bear the legend applicable to transfers pursuant to Rule 144A).

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of beneficial interests in the Global Certificates among participants and accountholders of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. Neither we, the Issuing and Paying Agent, the CDP Paying Agent, the CMU Lodging and Paying Agent nor any Transfer Agent will have any responsibility for the performance by Euroclear, Clearstream or DTC or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

While a Restricted Global Certificate is lodged with DTC or the Custodian, Restricted Notes represented by individual definitive Registered Notes will not be eligible for clearing or settlement through DTC, Clearstream or Euroclear.

Pre-Issue Trades Settlement for Registered Notes

It is expected that delivery of Notes will be made against payment therefor on the relevant Issue Date, which could be more than two business days following the date of pricing. Under Rule 15c6-1 of the U.S. Securities and Exchange Commission under the Exchange Act, trades in the United States secondary market generally are required to settle within two business days (T+2), unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes in the United States on the date of pricing or the next succeeding business day until the relevant Issue Date will be required, by virtue of the fact that the Notes initially will settle beyond T+2, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Notes may be affected by such local settlement practices and purchasers of Notes who wish to trade Notes between the date of pricing and the relevant issue date should consult their own advisor.

The Austraclear System

Each Tranche of AMTNs will be represented by a single AMTN Certificate substantially in the form set out in the Note (AMTN) Deed Poll. We shall issue and deliver, and procure the authentication by the Australian Agent of, such number of AMTNs Certificates as are required from time to time to represent all of the AMTNs of each Series. An AMTN Certificate is not a negotiable instrument nor is it a document of title in respect of any AMTNs it represents. In the event of a conflict between any AMTN Certificate and the Register, the Register shall prevail (subject to correction for fraud or proven error).

On issue of any AMTNs, we will (unless otherwise specified in the applicable Pricing Supplement) procure that the AMTNs are lodged with the Austraclear System. On lodgment, Austraclear will become the sole registered holder and legal owner of the AMTNs. Subject to the Austraclear System Regulations, participants of the Austraclear System ("**Accountholders**") may acquire rights against Austraclear in relation to those AMTNs as beneficial owners and Austraclear is required to deal with the AMTNs in accordance with the directions and instructions of the Accountholders. Any potential investors who are not Accountholders would need to hold their interest in the relevant AMTNs through a nominee who is an Accountholder. All payments by us in respect of AMTNs entered in the Austraclear System will be made directly to an account agreed with Austraclear or as it directs in accordance with the Austraclear System Regulations.

Holding of AMTNs through Euroclear and Clearstream

Once lodged with the Austraclear System, interests in the AMTNs may be held through Euroclear or Clearstream. In these circumstances, entitlements in respect of holdings of interests in the AMTNs in Euroclear would be held in the Austraclear System by HSBC Custody Nominees (Australia) Limited as nominee of Euroclear, while entitlements in respect of holdings of interests in the AMTNs in Clearstream would be held in the Austraclear System by BNP Paribas Securities Services, Australia Branch as nominee of Clearstream.

The rights of a holder of interests in AMTNs held through Euroclear or Clearstream are subject to the respective rules and regulations of Euroclear and Clearstream, the arrangements between Euroclear and Clearstream and their respective nominees and the Austraclear System Regulations.

Transfers

Any transfer of AMTNs will be subject to the Australian Corporations Act and the other requirements set out in the terms and conditions of the AMTNs and, where the AMTNs are entered in the Austraclear System, the Austraclear System Regulations.

Secondary market sales of AMTNs settled in the Austraclear System will be settled in accordance with the Austraclear System Regulations.

Relationship of Accountholders with Austraclear System

Accountholders who acquire an interest in AMTNs lodged with the Austraclear System must look solely to Austraclear for their rights in relation to such AMTNs and will have no claim directly against the Issuer in respect of such AMTNs although under the Austraclear System Regulations, Austraclear may direct the Issuer to make payments direct to the relevant Accountholders.

Where Austraclear is registered as the holder of any AMTNs that is lodged with the Austraclear System, Austraclear may, where specified in the Austraclear System Regulations, transfer the AMTNs to the person in whose Security Record (as defined in the Austraclear System Regulations) those AMTNs are recorded and, as a consequence, remove those AMTNs from the Austraclear System.

Potential investors in AMTNs should inform themselves of, and satisfy themselves with, the Austraclear System Regulations and (where applicable) the rules of Euroclear and Clearstream and the arrangements between them and their nominees in the Austraclear System.

AMTNs lodged with the Austraclear System will be transferable only in accordance with the rules and regulations (in force from time to time) of the Austraclear System. The transferor of an AMTN is deemed to remain the holder of such AMTN until the name of the transferee is entered in the Register in respect of such AMTN.

TRANSFER RESTRICTIONS

Restricted Notes

Each purchaser of Restricted Notes within the United States pursuant to Rule 144A, by accepting delivery of this Offering Memorandum, will be deemed to have represented, agreed and acknowledged that:

(i) it is (a) a QIB, (b) acquiring such Restricted Notes for its own account or for the account of a QIB and (c) aware, and each beneficial owner of such Restricted Notes has been advised, that the sale of such Restricted Notes to it is being made in reliance on Rule 144A;

(ii) it understands that such Restricted Notes have not been and will not be registered under the Securities Act and any other applicable U.S. state securities laws and (a) may not be offered, sold, pledged or otherwise transferred except (i) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or for the account of a QIB, (ii) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (iii) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), in each case in accordance with any applicable securities laws of any state of the United States; (b) the purchaser will, and each subsequent purchaser is required to, notify any subsequent purchaser of such Restricted Notes from it of the resale restrictions referred to in (a) above; and (c) no representation can be made as to the availability of the exemption provided by Rule 144 under the Securities Act for resale of the Notes.

(iii) it understands that such Restricted Notes, unless the Issuer determines otherwise in compliance with applicable law, will bear a legend to the following effect:

THE NOTE EVIDENCED HEREBY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**") TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR RESALES OF THIS NOTE. PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT THE SELLER OF THIS NOTE MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A;

(iv) it understands that such Restricted Notes, unless the Issuer determines otherwise in compliance with applicable law, will bear a legend to the following effect:

EACH PURCHASER AND SUBSEQUENT TRANSFEREE OF THIS NOTE WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT, AT THE TIME OF ITS ACQUISITION AND THROUGHOUT THE PERIOD IT HOLDS SUCH NOTE, EITHER (X) IT IS NOT (1) AN EMPLOYEE BENEFIT PLAN AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"),

AND SUBJECT TO TITLE I OF ERISA, (2) A PLAN AS DEFINED IN SECTION 4975(e)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), AND SUBJECT TO SECTION 4975 OF THE CODE, (3) ANY ENTITY WHOSE UNDERLYING ASSETS ARE DEEMED TO INCLUDE "PLAN ASSETS" BY REASON OF INVESTMENT BY ANY OF THE FOREGOING IN THE ENTITY, OR (4) A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR (Y) ITS PURCHASE, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A NON-EXEMPT VIOLATION OF ANY SUBSTANTIALLY SIMILAR LAW). ANY PURPORTED TRANSFER OF THIS NOTE, OR ANY INTEREST THEREIN TO A PURCHASER OR TRANSFEREE THAT DOES NOT COMPLY WITH THE ABOVE REQUIREMENTS WILL BE OF NO FORCE AND EFFECT AND SHALL BE NULL AND VOID AB INITIO;

(v) either (a) it is neither an "employee benefit plan" as defined in ERISA, and subject to Title I of ERISA, a "plan" as defined in Section 4975(e)(1) of the Code, and subject to Section 4975 of the Code, nor any entity whose underlying assets include "plan assets" by reason of such plan's investment in the entity, nor a governmental, church, non-U.S. or other plan which is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code or (b) its purchase, holding and disposition of a Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of a governmental, church, non-U.S. or other plan, a non-exempt violation of any substantially similar law). Any purported transfer of a Note, or any interest therein to a purchaser or transferee that does not comply with the above requirements will be of no force and effect and shall be null and void *AB INITIO*;

(vi) it understands that the Restricted Notes offered in reliance on Rule 144A will be represented by a Restricted Global Certificate. Before any interest in the Restricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Unrestricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws; and

(vii) it acknowledges that the Issuer, the Registrar, any Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Restricted Notes for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Additional transfer restrictions may be set forth in the applicable Pricing Supplement with respect to a particular Tranche of a Registered Series.

Unrestricted Notes

Each purchaser of Unrestricted Notes outside the United States pursuant to Regulation S and each subsequent purchaser of such Unrestricted Notes in resales prior to the expiration of the Distribution Compliance Period (as defined in "Plan of Distribution"), by accepting delivery of this Offering Memorandum and the Unrestricted Notes, will be deemed to have represented, agreed and acknowledged that:

(i) it is, or at the time Unrestricted Notes are purchased will be, the beneficial owner of such Unrestricted Notes and (a) it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the Issuer or a person acting on behalf of such an affiliate;

(ii) it understands that such Unrestricted Notes have not been and will not be registered under the Securities Act and that, prior to the expiration of the Distribution Compliance Period, it will not offer, sell, pledge or otherwise transfer such Unrestricted Notes except (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or the account of a QIB or (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any State of the United States;

(iii) it understands that the Unrestricted Notes, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend to the following effect:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT;

(iv) it understands that any Notes, unless the Issuer determines otherwise in compliance with applicable law, will bear a legend to the following effect:

EACH PURCHASER AND SUBSEQUENT TRANSFEREE OF THIS NOTE WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT, AT THE TIME OF ITS ACQUISITION AND THROUGHOUT THE PERIOD IT HOLDS SUCH NOTE, EITHER (X) IT IS NOT (1) AN EMPLOYEE BENEFIT PLAN AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), AND SUBJECT TO TITLE I OF ERISA, (2) A PLAN AS DEFINED IN SECTION 4975(e)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), AND SUBJECT TO SECTION 4975 OF THE CODE, (3) ANY ENTITY WHOSE UNDERLYING ASSETS ARE DEEMED TO INCLUDE "PLAN ASSETS" BY REASON OF INVESTMENT BY ANY OF THE FOREGOING IN THE ENTITY, OR (4) A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR (Y) ITS PURCHASE, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A NON-EXEMPT VIOLATION OF ANY SUBSTANTIALLY SIMILAR LAW). ANY PURPORTED TRANSFER OF THIS NOTE, OR ANY INTEREST THEREIN TO A PURCHASER OR TRANSFEREE THAT DOES NOT COMPLY WITH THE ABOVE REQUIREMENTS WILL BE OF NO FORCE AND EFFECT AND SHALL BE NULL AND VOID AB INITIO.

(v) either (a) it is neither an "employee benefit plan" as defined in ERISA, and subject to Title I of ERISA, a "plan" as defined in Section 4975(e)(1) of the Code, and subject to Section 4975 of the Code, nor any entity whose underlying assets include "plan assets" by reason of such plan's investment in the entity, nor a governmental, church, non-U.S. or other plan which is subject to any federal, state, local or non-U.S. law that is substantially similar to the provisions of Section 406 of ERISA or Section 4975 of the Code or (b) its purchase, holding and disposition of a Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of a governmental, church, non-U.S. or other plan, a non-exempt violation of any substantially similar law). Any purported transfer of a Note, or any interest therein to a purchaser or transferee that does not comply with the above requirements will be of no force and effect and shall be null and void *AB INITIO*;

(vi) it understands that the Unrestricted Notes offered in reliance on Regulation S will be represented by an Unrestricted Global Certificate. Prior to the expiration of the Distribution Compliance Period, before any interest in the Unrestricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Restricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws; and

(vii) the Issuer, the Registrar, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Additional transfer restrictions may be set forth in the applicable Pricing Supplement with respect to a particular Tranche of a Registered Series.

LEGAL MATTERS

Legal matters in connection with the issue and sale of the Notes offered hereby will be passed upon for OCBC Bank by (i) Allen & Gledhill LLP, legal advisor to OCBC Bank, with respect to certain matters of Singapore law, (ii) Linklaters Singapore Pte. Ltd., legal advisor to OCBC Bank, with respect to certain matters of English law and the federal laws of the United States and (iii) King & Wood Mallesons, legal advisor to OCBC Bank, with respect to certain matters of Australian law. The Arrangers are being represented by Clifford Chance Pte. Ltd. as to certain matters of English law and the federal laws of the United States.

INDEPENDENT AUDITORS

The consolidated financial statements of Oversea-Chinese Banking Corporation Limited and subsidiaries as of and for the year ended December 31, 2019 have been audited by KPMG LLP, independent auditors as stated in their reports. Our consolidated financial statements as of and for the years ended December 31, 2020 and 2021 have been audited by PricewaterhouseCoopers LLP, independent auditors as stated in their reports.

GENERAL INFORMATION

(1) We have obtained and each Specified Issuer will obtain all necessary consents, approvals and authorizations in connection with the establishment of the Program or issue of Notes issued by it, as applicable.

(2) We have not been involved in, and are not aware of, any litigation or arbitration proceedings relating to claims or amounts that are material in the context of the issue of the Notes.

(3) Each Bearer Note, Receipt, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".

(4) Notes have been accepted for clearance through the Euroclear and Clearstream systems (which are entities in charge of keeping the records) and CDP. We may also apply to have Notes accepted for clearance through the CMU. The relevant CMU Instrument Number will be set out in the applicable Pricing Supplement. The Common Code and the International Securities Identification Number ("**ISIN**") for each Series of Notes will be set out in the applicable Pricing Supplement. In addition, we will make an application with respect to each Series of Registered Notes intended to be eligible for sale pursuant to Rule 144A for such Notes to be accepted for trading in book entry form by DTC. Acceptance of each Series and the relevant CUSIP number applicable to a Series will be set out in the applicable Pricing Supplement.

The Legal Entity Identifier ("**LEI**") of OCBC Bank acting through its registered office in Singapore is 5493007O3QFXCPOGWK22 or as otherwise specified for a Specified Issuer as set out in the applicable Pricing Supplement.

(5) We will apply to have the AMTNs accepted for clearance through the Austraclear System. AMTNs which are held on the Austraclear System will be registered in the name of Austraclear. The Common Code and the ISIN for each Series of AMTNs will be set out in the applicable Pricing Supplement.

(6) For so long as Notes may be issued pursuant to this Offering Memorandum, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at our registered office:

(i) the Agency Agreement and the Singapore Supplemental Agency Agreement;

(ii) the Trust Deed (which includes the form of the Global Notes, the definitive Bearer Notes, the Global Certificates, the Certificates, the Coupons, the Receipts and the Talons) and the Singapore Supplemental Trust Deed;

(iii) the Note (AMTN) Deed Poll in respect of AMTNs;

(iv) the Australian Agency Agreement in respect of AMTNs;

(v) the Deeds of Accession signed by each Specified Issuer;

(vi) our Constitution and the constitution of each Specified Issuer;

(vii) our latest audited financial statements and latest interim financial statements;

(viii) each Pricing Supplement for Notes that are listed on any stock exchange; and

(ix) a copy of this Offering Memorandum together with any supplemental Offering Memorandum or further Offering Memorandum.

(7) Copies of the Trust Deed, the Singapore Supplemental Trust Deed, the Agency Agreement and the Singapore Supplemental Agency Agreement, the CDP Deed of Covenant, the Note (AMTN) Deed Poll and the Australian Agency Agreement will be available for inspection, at the principal office of the Trustee and at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Notes is outstanding.

INDEX TO FINANCIAL INFORMATION

Oversea-Chinese Banking Corporation Limited and its Subsidiaries Audited Consolidated Financial Statements as of and for the year ended December 31, 2021

Director's Statement F-4

Independent Auditor's Report F-10

Income Statements F-18

Statements of Comprehensive Income F-19

Balance Sheets F-20

Statement of Changes in Equity – Group F-21

Statement of Changes in Equity – Bank F-23

Consolidated Cash Flow Statement F-24

Notes to the Financial Statements F-25

The consolidated financial statements set out herein have been reproduced from our annual report for the year ended December 31, 2021. Page references used in this offering memorandum are different from pages references set forth in the consolidated financial statements published in such annual report. The consolidated financial statements have not been specifically prepared for inclusion in this Offering Memorandum.

OVERSEA-CHINESE BANKING CORPORATION LIMITED

(Incorporated in Singapore. Registration Number: 193200032W)

AND ITS SUBSIDIARIES

FINANCIAL STATEMENTS

For the financial year ended 31 December 2021

OVERSEA-CHINESE BANKING CORPORATION LIMITED
(Incorporated in Singapore. Registration Number: 193200032W)
AND ITS SUBSIDIARIES

FINANCIAL STATEMENTS
For the financial year ended 31 December 2021

Contents

	Page
Directors' Statement	1
Independent Auditor's Report	7
Income Statements	15
Statements of Comprehensive Income	16
Balance Sheets	17
Statement of Changes in Equity – Group	18
Statement of Changes in Equity – Bank	20
Consolidated Cash Flow Statement	21
Notes to the Financial Statements	22

DIRECTORS' STATEMENT

For the financial year ended 31 December 2021

The directors present this statement to the members of the Bank together with the audited consolidated financial statements of the Group and the income statement, statement of comprehensive income, balance sheet and statement of changes in equity of the Bank for the financial year ended 31 December 2021.

In our opinion:

(a) the financial statements set out on pages 15 to 152 are drawn up so as to give a true and fair view of the financial position of the Group and of the Bank as at 31 December 2021, the financial performance and changes in equity of the Group and of the Bank for the financial year ended on that date, and cash flows of the Group for the financial year ended on that date, in accordance with the provisions of the Singapore Companies Act 1967 (the Act) and Singapore Financial Reporting Standards (International); and

(b) at the date of this statement, there are reasonable grounds to believe that the Bank will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

The directors of the Bank in office at the date of this statement are as follows:

Ooi Sang Kuang, Chairman
Andrew Khoo Cheng Hoe (Appointed on 8 March 2021)
Andrew Lee Kok Keng (Appointed on 18 February 2022)
Chong Chuan Neo (Appointed on 18 February 2022)
Christina Hon Kwee Fong (Christina Ong)
Chua Kim Chiu
Koh Beng Seng
Lee Tih Shih
Pramukti Surjaudaja
Tan Ngiap Joo
Tan Yen Yen
Wee Joo Yeow

Ooi Sang Kuang, Koh Beng Seng, Christina Hon Kwee Fong (Christina Ong) and Wee Joo Yeow will retire by rotation under Article 98 of the Constitution at the forthcoming annual general meeting of the Bank and, being eligible, will offer themselves for re-election thereat.

Andrew Lee Kok Keng and Chong Chuan Neo will retire under Article 104 of the Constitution at the forthcoming annual general meeting of the Bank and, being eligible, will offer themselves for re-election thereat.

Arrangements to enable directors to acquire shares and debentures

Neither at the end of, nor at any time during the financial year, was the Bank a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Bank to acquire benefits by means of the acquisition of shares in, or debentures of, the Bank or any other body corporate, other than as disclosed in this statement.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, the directors holding office at the end of the financial year had interests in shares in the Bank and its related corporations, as follows:

	Direct interest		Deemed interest [1]	
	At 31.12.2021	At 1.1.2021/Date of appointment	At 31.12.2021	At 1.1.2021/Date of appointment
BANK				
Ordinary shares				
Ooi Sang Kuang	**61,202**	54,397	–	–
Andrew Khoo Cheng Hoe	**7,236**	7,167	–	–
Christina Hon Kwee Fong (Christina Ong)	**31,240**	24,829	–	–
Chua Kim Chiu	**20,663**	14,391	–	–
Koh Beng Seng	**7,644**	1,543	–	–
Lee Tih Shih	**11,650,000**	11,503,106	–	–
Pramukti Surjaudaja	**85,050**	79,050	–	–
Tan Ngiap Joo	**1,424,993**	1,400,251	–	–
Tan Yen Yen	**6,000**	–	–	–
Wee Joo Yeow	**83,627**	76,527	**4,892**	4,892

[1] Ordinary shares held by spouse.

Save as disclosed above, no director holding office at the end of the financial year had any interest in shares in, or debentures of, the Bank or any of its related corporations either at the beginning of the financial year, date of appointment, or at the end of the financial year. There were no changes to any of the above mentioned interests between the end of the financial year and 21 January 2022.

Share-based compensation plans

The Bank's share-based compensation plans are administered by the Remuneration Committee, which as at the date of this statement comprises:

Tan Ngiap Joo, Chairman
Christina Hon Kwee Fong (Christina Ong)
Ooi Sang Kuang
Koh Beng Seng
Tan Yen Yen
Wee Joo Yeow

Share-based compensation plans *(continued)*

Under the share-based compensation plans, no options, rights or awards have been granted to controlling shareholders of the Bank or their associates, nor has any participant received 5% or more of the total number of options, rights or awards available under each respective scheme or plan during the financial year. No options or rights were granted at a discount during the financial year. The persons to whom the options, rights or awards were issued have no right by virtue of these options, rights or awards to participate in any share issue of any other company. The disclosure requirement in Rule 852(1)(c) of the SGX Listing Manual relating to the grant of options to directors and employees of the parent company and its subsidiaries is not applicable to the Bank's share-based compensation plans.

The Bank's share-based compensation plans are as follows:

(a) OCBC Share Option Scheme 2001

The OCBC Share Option Scheme 2001 (2001 Scheme), which was implemented in 2001, was extended for a period of 10 years from 2011 to 2021, with the approval of shareholders at an extraordinary general meeting of the Bank which was held on 15 April 2011. Executives of the Group ranked Manager and above and non-executive directors of the Group were eligible to participate in this scheme. The Bank will either issue new shares or transfer treasury shares to the participants upon the exercise of their options.

The 2001 Scheme expired on 2 August 2021. No further options may be granted by the Bank under the 2001 Scheme following its expiry. However, the expiration of the 2001 Scheme does not affect the options which have been granted and accepted before the expiry of the 2001 Scheme, whether such options have been exercised (whether fully or partially) or not.

Particulars of Options 2011, 2012, 2013, 2014, 2015, 2015CT, 2016, 2016A, 2017, 2017SL, 2017DM and 2018 were set out in the Directors' Reports/Directors' Statements for the financial years ended 31 December 2011 to 2018.

No share options were granted under the 2001 Scheme during the financial year.

Details of unissued ordinary shares under the 2001 Scheme, options exercised during the financial year and options outstanding and exercisable at 31 December 2021 are as follows:

Options	Exercise period	Acquisition price ($)	Options exercised	Treasury shares transferred	At 31.12.2021 Outstanding	At 31.12.2021 Exercisable
2011	15.03.2012 to 13.03.2021	9.093	501,888	481,275	–	–
2012	15.03.2013 to 13.03.2022	8.556	279,660	279,660	999,366	999,366
2013	15.03.2014 to 13.03.2023	10.018	1,496,396	1,496,396	2,434,779	2,434,779
2014	15.03.2015 to 13.03.2024	9.169	874,310	861,310	1,992,485	1,992,485
2015	16.03.2016 to 15.03.2025	10.378	416,489	396,830	3,972,559	3,972,559
2015CT	30.06.2016 to 29.06.2025	10.254	–	–	31,779	31,779
2016	16.03.2017 to 15.03.2026	8.814	2,212,167	2,212,167	3,599,445	3,599,445
2016A	16.03.2017 to 15.03.2026	8.814	–	–	85,202	85,202
2017	23.03.2018 to 22.03.2027	9.598	1,582,872	1,557,796	6,091,738	6,091,738
2017SL	04.08.2018 to 03.08.2027	11.378	–	–	18,943	18,943
2017DM	29.12.2018 to 28.12.2027	12.316	–	–	5,673	5,673
2018	22.03.2019 to 21.03.2028	13.340	–	–	5,878,595	5,878,595
			7,363,782	7,285,434	25,110,564	25,110,564

Share-based compensation plans *(continued)*

(b) OCBC Employee Share Purchase Plan

The OCBC Employee Share Purchase Plan (ESP Plan), which was implemented in 2004, was extended for a period of 10 years from 2014 to 2024, with the approval of shareholders at an extraordinary general meeting of the Bank which was held on 24 April 2014. Employees of the Group who have attained the age of 21 years and have been employed for not less than six months are eligible to participate in the ESP Plan.

At an extraordinary general meeting held on 17 April 2009, alterations to the ESP Plan were approved to enable two (but not more than two) Offering Periods to be outstanding on any date. Since each Offering Period currently consists of a 24-month period, these alterations will enable the Bank to prescribe Offering Periods once every 12 months (instead of once every 24 months as was previously the case).

In July 2021, the Bank launched its sixteenth offering under the ESP Plan, which commenced on 1 September 2021 and will expire on 31 August 2023. Under the sixteenth offering, 6,685 employees enrolled to participate in the ESP Plan to acquire 8,469,427 ordinary shares at S$11.58 per ordinary share. The acquisition price is equal to the average of the last traded price of the ordinary shares of the Bank on the Singapore Exchange over five consecutive trading days immediately preceding the price fixing date. Particulars of the first to fifteenth offerings under the ESP Plan were set out in the Directors' Reports/Directors' Statements for the financial years ended 31 December 2004 to 2020. During the financial year, 6,467,194 ordinary shares were delivered to participants under the ESP Plan. As at the end of the financial year, there were (i) rights to acquire 9,835,466 ordinary shares at S$8.98 per ordinary share granted under the fifteenth offering (which will expire on 30 June 2022) outstanding, and (ii) rights to acquire 8,014,746 ordinary shares at S$11.58 per ordinary share granted under the sixteenth offering (which will expire on 31 August 2023) outstanding. Further details on the ESP Plan can be found in Note 13.3 of the Notes to the Financial Statements.

(c) OCBC Deferred Share Plan

The Bank implemented the OCBC Deferred Share Plan (DSP) in 2003. The DSP was a discretionary incentive and retention award programme extended to executives of the Group at the absolute discretion of the Remuneration Committee. The DSP was terminated with effect from 29 April 2021, following the adoption of the OCBC Deferred Share Plan 2021 at the annual general meeting of the Bank held on 29 April 2021. However, the termination of the DSP does not affect the awards which have been granted, whether such awards have been released (whether fully or partially) or not.

In light of the Bank's transition to the new DSP 2021 during the financial year, no awards were granted under the DSP during the financial year ended 31 December 2021. Existing awards were adjusted following the declarations of a final dividend for the financial year ended 31 December 2020, and an interim dividend for the financial year ended 31 December 2021, resulting in an additional 531,381 ordinary shares being subject to awards under the DSP (including an additional 21,672 ordinary shares being subject to awards held by Mr Samuel N. Tsien, who stepped down as Group Chief Executive Officer and a director of the Bank on 15 April 2021). During the financial year, 7,188,161 deferred shares were released to grantees, of which 294,734 deferred shares were released to Mr Samuel N. Tsien.

(d) OCBC Deferred Share Plan 2021

The OCBC Deferred Share Plan 2021 (DSP 2021) was adopted at the annual general meeting of the Bank held on 29 April 2021 to replace the DSP under which no new ordinary shares may be issued. By implementing the DSP 2021, which permits new ordinary shares to be issued, the Bank has greater flexibility in its methods for delivery of ordinary shares, as this can be effected through an issue of new ordinary shares, in addition to the transfer of existing ordinary shares (including treasury shares). The objectives of the DSP 2021 are otherwise the same as those for the DSP, which is to align the interests of Group executives with the sustained business performance of the Bank by way of awards of deferred shares as part of variable performance already earned for the previous year.

Share-based compensation plans *(continued)*

(d) OCBC Deferred Share Plan 2021 *(continued)*

Awards over an aggregate of 7,763,260 ordinary shares (including awards over 242,356 ordinary shares granted to Mr Samuel N. Tsien, who stepped down as Group Chief Executive Officer and a director of the Bank on 15 April 2021) have been granted under the DSP 2021 since the commencement of the plan to the end of the financial year ended 31 December 2021. No ordinary shares were released under the DSP 2021 during the financial year ended 31 December 2021. An aggregate of 7,801,327 ordinary shares are comprised in awards which are outstanding and have not been released under the DSP 2021 as at the end of the financial year ended 31 December 2021. Existing awards were adjusted following the declarations of a final dividend for the financial year ended 31 December 2020, and an interim dividend for the financial year ended 31 December 2021, resulting in an additional 269,827 ordinary shares being subject to awards under the DSP 2021 (including an additional 8,509 ordinary shares being subject to awards held by Mr Samuel N. Tsien).

Details of options granted under the 2001 Scheme, acquisition rights granted under the ESP Plan and share awards granted under the DSP 2021 to Mr Samuel N. Tsien, who stepped down as Group Chief Executive Officer and a director of the Bank on 15 April 2021, are as follows:

	Options/rights/ awards granted during the financial year ended 31.12.2021	Aggregate number of options/rights/ awards granted since commencement of scheme/plan to 31.12.2021	Aggregate number of options exercised/rights converted/awards released since commencement of scheme/plan to 31.12.2021	Aggregate number of options/rights/ awards outstanding at 31.12.2021
2001 Scheme				
Samuel N. Tsien	–	5,746,795	3,819,935	1,926,860
ESP Plan				
Samuel N. Tsien	–	49,875	31,608 [1]	–
DSP 2021				
Samuel N. Tsien	242,356	242,356	–	250,865

[1] Excludes:
- 4,114 rights, 3,862 rights and 3,103 rights which were not converted into shares upon expiry of the fifth offering, ninth offering and thirteenth offering respectively as the average market price at that time was lower than the acquisition price. This was in line with the terms and conditions of the ESP Plan.
- 3,180 rights and 4,008 rights under the fourteenth offering and fifteenth offering respectively, which were not converted into shares prior to Mr Samuel N. Tsien's last date of service with the Bank.

Except as disclosed above, there were no unissued shares of the Bank or its subsidiaries under options granted by the Bank or its subsidiaries as at the end of the financial year.

Audit Committee

The members of the Audit Committee as at the date of this statement are:

Chua Kim Chiu (Chairman)
Andrew Khoo Cheng Hoe (Appointed on 8 March 2021)
Chong Chuan Neo (Appointed on 18 February 2022)
Ooi Sang Kuang
Tan Ngiap Joo
Tan Yen Yen

The Audit Committee performed the functions specified in the Act, the SGX Listing Manual, the Banking (Corporate Governance) Regulations 2005, the MAS Guidelines for Corporate Governance and the Code of Corporate Governance 2018. In performing these functions, the Audit Committee reviewed with the Bank's external and internal auditors their audit plans and findings, including their examination and evaluation of the system of internal accounting controls. The Audit Committee also reviewed the external auditor's independence, objectivity and performance.

The Audit Committee also reviewed, *inter alia*, the following:

(a) response of the Bank's management and the assistance provided by officers of the Bank to the external and internal auditors;
(b) the CEO and CFO's assurances regarding the integrity of the financial statements and the adequacy and effectiveness of the Bank's risk management and internal control systems; and
(c) the financial statements of the Group and the Bank and the auditor's report thereon, including key audit matters, prior to their submission to the Board of Directors.

The Audit Committee has full access to, and the cooperation of, the management and has been given the resources required for it to discharge its functions. It has full authority and discretion to invite any director and executive officer to attend its meetings.

The Audit Committee has recommended to the Board of Directors that the auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment as the auditor of the Bank at the forthcoming annual general meeting of the Bank.

Auditor

PricewaterhouseCoopers LLP has indicated its willingness to accept re-appointment as the auditor of the Bank at the forthcoming annual general meeting of the Bank.

On behalf of the Board of Directors,

OOI SANG KUANG
Director

CHUA KIM CHIU
Director

Singapore

22 February 2022

INDEPENDENT AUDITOR'S REPORT
To The Members Of Oversea-Chinese Banking Corporation Limited

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of Oversea-Chinese Banking Corporation Limited ("the Bank") and its subsidiaries ("the Group") and the balance sheet, income statement, statement of comprehensive income and statement of changes in equity of the Bank are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Bank as at 31 December 2021 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the financial performance and changes in equity of the Bank for the year ended on that date.

What we have audited

The financial statements of the Bank and the Group comprise:

- the income statements of the Group and of the Bank for the year ended 31 December 2021;
- the statements of comprehensive income of the Group and of the Bank for the year then ended;
- the balance sheets of the Group and of the Bank as at 31 December 2021;
- the statement of changes in equity of the Group for the year then ended;
- the statement of changes in equity of the Bank for the year then ended;
- the consolidated cash flow statement of the Group for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the year ended 31 December 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
Impairment of loans to customers *(Refer to Notes 2.25, 26, 28 and 30 to the financial statements)* The Group's allowances on non-impaired loans and impaired loans are S$1,900 million and S$1,535 million respectively as at 31 December 2021. These allowances are determined by the Group based on the Expected Credit Losses ("ECL") framework under SFRS(I) 9 *Financial Instruments* ("SFRS(I) 9"). *ECL on non-credit-impaired loans to customers* In respect of the ECL on non-credit-impaired loans to customers, the Group utilises models which are reliant on internal and external data as well as a number of estimates. We considered this a key audit matter due to the inherent estimation uncertainty in this area which involves significant judgement and assumptions that relate to, amongst others: • determining whether a significant increase in credit risk ("SICR") has occurred; • estimating forward-looking macroeconomic scenarios; and • identifying and determining post model adjustments to the ECL models. Further, the prolonged COVID-19 pandemic has increased the uncertainty of these estimates and degree of judgement required to be exercised in estimating the ECL.	*ECL on non-credit-impaired loans to customers* We assessed the design and evaluated the operating effectiveness of key controls over the ECL on non-credit-impaired loans to customers. These controls include: • review and approval of forward-looking information used in the ECL models; • use of reliable and accurate critical data elements in the ECL models; • review and approval of the ECL results, including post model adjustments applied; • independent validation of the ECL models and review of model validation results by management; and • general IT controls over the ECL system as well as IT application controls over the completeness and accuracy of data flows from source systems to the ECL systems. We determined that we could rely on these controls for the purposes of our audit. For a sample of the Group's ECL models, we examined the model methodologies and assessed the reasonableness of key judgements and assumptions made by management in the model and parameters used. We also reviewed the results of independent model validation conducted by the Group's model validation function as part of our assessment of the ECL models. We also assessed the reasonableness of criteria used to determine a SICR and accuracy and timeliness of allocation of exposures into Stage 1 and Stage 2 based on quantitative and qualitative criteria. Through the course of our work, we challenged the rationale and calculation basis of post model adjustments. Overall, we assessed the methodologies and key assumptions made by the Group to estimate the ECL on non-credit-impaired loans to customers to be reasonable.

Key Audit Matter	How our audit addressed the Key Audit Matter
Impairment of loans to customers *(continued)* *ECL on credit-impaired loans to customers* As at 31 December 2021, 58% (S$892 million) of the Group's ECL on credit-impaired loans to customers relates to the Global Wholesale Banking ("GWB") loan portfolio. We focused on this area because of the highly subjective judgements and assumptions applied by management in determining the necessity for, and estimating the amount of, the ECL allowances against credit-impaired loans to customers. Significant judgements were also required for the credit grading of borrowers in accordance with MAS Notices 612 and 612A. For GWB's credit-impaired loan portfolio, significant management judgement and estimation include: • identifying credit-impaired exposures; • assessing the future performance of the borrowers and recoverable cash flows; and • determining collateral values and timing of realisation. Current significant events (e.g. economic and geopolitical developments, and the COVID-19 pandemic) added complexity to the estimation of the ECL allowances. The outcome and corresponding impact of these events are uncertain.	*ECL on credit-impaired loans to customers* We assessed the design effectiveness and tested the operating effectiveness of key controls over credit grading, credit monitoring and management's determination of the ECL allowances for loans to customers. These controls include: • oversight and review of credit risk by the Credit Risk Management Committee; • credit portfolio review and monitoring; • collateral monitoring and valuation; • monitoring of loan covenants and breaches; and • classification of loans to customers in accordance with MAS Notices 612 and 612A. We determined that we could rely on these controls for the purposes of our audit. We selected a sample of credit exposures in the GWB loan portfolio and performed credit file reviews to assess the appropriateness of credit grading in accordance with the requirements of MAS Notices 612 and 612A. In that process, we have also considered management's assessment on the impact of current significant events in the identification of credit-impaired exposures. Where there was objective evidence of impairment, we assessed whether the ECL allowances were recognised on a timely basis and evaluated the amount of such impairment. Our work includes: • considering the background facts and the latest circumstances in relation to the borrower; • examining and challenging management's key assumptions applied on expected future cash flows of the borrower, including amounts and timing of recoveries; • comparing the realisable value of collateral against externally derived evidence including independent valuation reports, where available; and • testing the calculation of impairment. For a sample of non-credit-impaired loans to customers which had not been classified by management as credit-impaired, we challenged management's key assumptions on whether their classification was appropriate, based on our understanding of the customers, business environment and other external evidence where available. Based on the procedures performed, we have assessed that the ECL allowances for credit-impaired loans to customers were within an acceptable range of estimates.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of financial instruments measured at fair value - Levels 2 and 3 *(Refer to Notes 2.25 and 41.3 to the financial statements)* As at 31 December 2021, the Group had financial assets of S$51 billion and financial liabilities of S$9 billion measured at fair value which were classified as Level 2. These represent 29% of the financial assets and 89% of the financial liabilities measured at fair value respectively. We considered valuation of Level 2 financial instruments to be a key audit matter due to their financial significance to the Group as well as the judgement required in relation to the application of the appropriate models, assumptions and inputs. The Group also had financial assets of S$5 billion and financial liabilities of S$640 million measured at fair value which were classified as Level 3. These represent 3% of the financial assets and 6% of the financial liabilities measured at fair value respectively. We focused on the valuation of Level 3 financial assets and financial liabilities, as management makes significant judgements and assumptions (using valuation models) when valuing these financial instruments, as they are complex or illiquid and the external evidence supporting the Group's valuations are limited due to the lack of a liquid market.	We assessed the design and tested the operating effectiveness of key controls over the Group's financial instruments valuation processes, including the controls over: • management's testing and approval of valuation models; • the completeness and accuracy of the data feeds and other inputs into valuation models; • follow-up on collateral disputes, which takes into account counterparty valuations, to identify possible indicators of inappropriate valuations by the Group; and • governance mechanisms and monitoring over the valuation processes by the Market Risk Management Committee, including over valuation adjustments. We determined that we could rely on the controls for the purposes of our audit. Together with our valuation specialists, we compared the Group's valuation of Level 2 financial instruments to our own estimates on a sampling basis. This involved sourcing inputs from market data providers or external sources and using our own valuation models, and investigating the root cause for material variances at the instrument level. For a sample of Level 3 financial instruments, with the assistance of our valuation specialists, we assessed the reasonableness of the methodologies used and the key assumptions made. For all financial instruments at Levels 2 and 3, we also performed: • procedures on collateral disputes, which takes into account counterparty valuations, to identify possible indicators of inappropriate valuations by the Group; and • assessed the adequacy of the Group's financial statements disclosures in the context of the relevant accounting standards. Overall, the valuation of Levels 2 and 3 financial instruments measured at fair value was within a reasonable range of outcomes.

Key Audit Matter	How our audit addressed the Key Audit Matter
Impairment of goodwill *(Refer to Notes 2.25 and 36 to the financial statements)* The Group has a significant amount of goodwill arising from its business acquisitions. As at 31 December 2021, the carrying amount of goodwill on the Group's balance sheet amounted to S$4,467 million. In performing the impairment assessment of the carrying amount of goodwill, significant judgement is made by management in estimating the recoverable amounts of the relevant cash generating units ("CGUs"). For the Banking CGUs, this involves the estimation of discounted cash flows, where the significant assumptions used in the assessment include: • forecasts of future cash flows; • inputs to determine the risk-adjusted discount rates; and • perpetual growth rates. For the Insurance CGU, the Group applies the appraisal value technique, which comprises the embedded value of in-force business and the estimated value of projected distributable profits from new businesses. The key assumptions used in this assessment include: • investment returns based on long term strategic asset mix and expected future returns; and • risk-adjusted discount rates. Given the level of complexity and extent of judgement involved, we considered this to be a key audit matter.	We assessed the appropriateness of management's identification of the Group's CGUs and methodology used in the estimation of recoverable amounts. We also evaluated the key assumptions used and applied sensitivity analysis to the key assumptions to determine whether any possible change in these key assumptions would result in an impairment. *Banking CGUs* Together with our valuation specialists, we evaluated: • management's cash flow projections by comparing previous forecasts to actual results; • the methodology and external data sources used in deriving the discount rates and growth rates; and • the growth rate assumptions against the Group's historical performance and available external industry and economic indicators. *Insurance CGU* Together with our actuarial specialists, we evaluated: • the methodologies in estimating the appraisal value; and • the key assumptions including the investment returns and the risk-adjusted discount rates used in deriving the appraisal value. We found the key assumptions and estimates made by management to be reasonable based on our audit procedures performed.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of insurance contract liabilities *(Refer to Notes 2.25, 22 and 38.4 to the financial statements)* The Group's insurance operations are conducted through Great Eastern Holdings Limited and its subsidiaries ("GEH"). Management's valuation of life insurance contract liabilities uses complex actuarial methods and models. The valuation process involves significant judgement about the assumptions of uncertain future events, including: mortality, morbidity, expense, lapse, surrender and interest rates. In addition to historical experience, management judgement is involved in the application of these assumptions. Changes in these assumptions used could result in a material impact to the valuation of the life insurance contract liabilities and the related movements in the consolidated profit or loss statement of the Group.	We performed the following audit procedures to address this matter: • we understood the actuarial valuation process, including model changes and assumptions setting; • we tested the design and operating effectiveness of controls over the accuracy and completeness of the data used; • we understood the valuation methodologies used, identified changes in methodologies from previous valuation and assessed the reasonableness and impact for material changes identified. We carried out these procedures by applying our industry knowledge and experience and assessed whether the methodologies and changes to those methodologies are consistent with recognised actuarial practices and expectations derived from market experience; • we performed an independent review of model inputs on a sample basis to assess that the methodologies and key assumptions have been applied appropriately; and • we assessed the reasonableness of the key assumptions used by management including: mortality, morbidity, expense, lapse, surrender and interest rates, by comparing against GEH's historical experiences and market observable data, where applicable. Based on the work performed and the evidence obtained, we found the methodologies and key assumptions used by management to be reasonable.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the annual report ("the Other Sections"), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

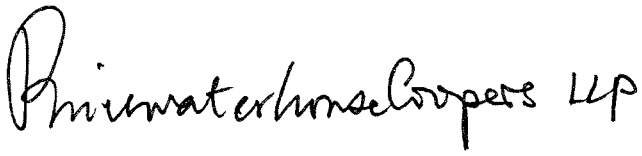
We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Bank and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Lian Wee Cheow.



PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 22 February 2022

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

INCOME STATEMENTS

For the financial year ended 31 December 2021

	Note	GROUP 2021 $ million	GROUP 2020 $ million	BANK 2021 $ million	BANK 2020 $ million
Interest income		**7,425**	9,143	**3,919**	5,070
Interest expense		**(1,570)**	(3,177)	**(708)**	(1,821)
Net interest income	3	**5,855**	5,966	**3,211**	3,249
Profit from life insurance [1]	4	**1,137**	698	–	–
Premium income from general insurance		**197**	201	–	–
Fees and commissions (net)	5	**2,245**	2,003	**969**	815
Dividends	6	**113**	78	**1,049**	1,468
Net trading income	7	**763**	863	**249**	305
Other income	8	**286**	330	**143**	158
Non-interest income		**4,741**	4,173	**2,410**	2,746
Total income		**10,596**	10,139	**5,621**	5,995
Staff costs		**(3,028)**	(2,748)	**(1,093)**	(969)
Other operating expenses		**(1,736)**	(1,691)	**(1,131)**	(1,018)
Total operating expenses	9	**(4,764)**	(4,439)	**(2,224)**	(1,987)
Operating profit before allowances and amortisation		**5,832**	5,700	**3,397**	4,008
Amortisation of intangible assets	36	**(103)**	(104)	–	–
Allowances for loans and other assets	10	**(873)**	(2,043)	**(442)**	(1,493)
Operating profit after allowances and amortisation		**4,856**	3,553	**2,955**	2,515
Share of results of associates, net of tax		**824**	612	–	–
Profit before income tax		**5,680**	4,165	**2,955**	2,515
Income tax expense	11	**(648)**	(437)	**(229)**	(169)
Profit for the year		**5,032**	3,728	**2,726**	2,346
Attributable to:					
Equity holders of the Bank		**4,858**	3,586		
Non-controlling interests		**174**	142		
		5,032	3,728		
Earnings per share ($)	12				
Basic		**1.07**	0.80		
Diluted		**1.07**	0.80		

[1] Comprised premium and investment income of $19,506 million (2020: $20,890 million) and insurance claims, commission and other expenses of $18,285 million (2020: $20,203 million) for the Group. Refer to Note 4.

The accompanying notes form an integral part of these financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2021

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
Profit for the year	**5,032**	3,728	**2,726**	2,346
Other comprehensive income:				
Items that may be reclassified subsequently to income statement:				
Financial assets, at FVOCI [1]				
Fair value (losses)/gains for the year	**(694)**	877	**(326)**	292
Reclassification of (gains)/losses to income statement				
- on disposal	**(131)**	(506)	**(34)**	(73)
- on impairment	**3**	5	**4**	1
Tax on net movements	**98**	(37)	**11**	(5)
Cash flow hedges	**(#)**	#	**(7)**	1
Currency translation on foreign operations	**110**	42	**(34)**	50
Other comprehensive income of associates	**339**	129	**–**	–
Items that will not be reclassified subsequently to income statement:				
Currency translation on foreign operations	**(1)**	(12)	**–**	–
Equity instruments, at FVOCI [1], net change in fair value	**134**	116	**44**	(25)
Defined benefit plans remeasurements	**(1)**	#	**–**	(#)
Own credit	**1**	1	**1**	1
Total other comprehensive income, net of tax	**(142)**	615	**(341)**	242
Total comprehensive income for the year, net of tax	**4,890**	4,343	**2,385**	2,588
Total comprehensive income attributable to:				
Equity holders of the Bank	**4,735**	4,200		
Non-controlling interests	**155**	143		
	4,890	4,343		

[1] Fair value through other comprehensive income.

[2] # represents amounts less than $0.5 million.

The accompanying notes form an integral part of these financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

BALANCE SHEETS

As at 31 December 2021

	Note	GROUP 2021 $ million	GROUP 2020 $ million	BANK 2021 $ million	BANK 2020 $ million
EQUITY					
Attributable to equity holders of the Bank					
Share capital	13	**18,040**	17,833	**18,040**	17,833
Other equity instruments	14	**1,198**	1,198	**1,198**	1,198
Capital reserves	15	**782**	1,229	**559**	994
Fair value reserves		**848**	1,358	**(25)**	300
Revenue reserves	16	**31,795**	28,004	**15,825**	14,560
		52,663	49,622	**35,597**	34,885
Non-controlling interests		**1,675**	1,554	**–**	–
Total equity		**54,338**	51,176	**35,597**	34,885
LIABILITIES					
Deposits of non-bank customers	17	**342,395**	314,907	**221,213**	197,745
Deposits and balances of banks	17	**8,239**	9,586	**6,708**	7,408
Due to subsidiaries		**–**	–	**28,250**	25,793
Due to associates		**431**	406	**230**	200
Trading portfolio liabilities		**393**	339	**393**	339
Derivative payables	18	**9,070**	15,516	**7,656**	13,768
Other liabilities	19	**7,163**	8,093	**1,906**	1,886
Current tax payables		**905**	745	**458**	366
Deferred tax liabilities	20	**2,832**	1,818	**154**	223
Debt issued	21	**20,115**	24,355	**19,657**	23,397
		391,543	375,765	**286,625**	271,125
Life insurance fund liabilities	22	**96,306**	94,454	**–**	–
Total liabilities		**487,849**	470,219	**286,625**	271,125
Total equity and liabilities		**542,187**	521,395	**322,222**	306,010
ASSETS					
Cash and placements with central banks	23	**27,919**	26,525	**22,863**	20,969
Singapore government treasury bills and securities	24	**11,112**	10,628	**10,106**	9,294
Other government treasury bills and securities	24	**26,159**	22,663	**9,710**	9,411
Placements with and loans to banks	25	**25,462**	32,816	**17,516**	24,083
Loans to customers	26	**286,281**	263,538	**189,401**	170,651
Debt and equity securities	29	**34,015**	33,143	**20,031**	17,844
Assets held for sale	47	**11**	2	**1**	–
Derivative receivables	18	**9,267**	15,223	**7,812**	13,518
Other assets	31	**6,334**	5,806	**2,339**	3,135
Deferred tax assets	20	**280**	133	**88**	41
Associates	32	**6,170**	4,633	**2,262**	1,749
Subsidiaries	33	**–**	–	**37,018**	32,272
Property, plant and equipment	34	**3,506**	3,567	**735**	698
Investment property	35	**801**	813	**473**	478
Goodwill and other intangible assets	36	**4,774**	4,837	**1,867**	1,867
		442,091	424,327	**322,222**	306,010
Life insurance fund investment securities and other assets	22	**100,096**	97,068	**–**	–
Total assets		**542,187**	521,395	**322,222**	306,010

The accompanying notes form an integral part of these financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY - GROUP

For the financial year ended 31 December 2021

	Attributable to equity holders of the Bank						
In $ million	Share capital and other equity	Capital reserves [1]	Fair value reserves	Revenue reserves	Total	Non-controlling interests	Total equity
Balance at 1 January 2021	19,031	1,229	1,358	28,004	49,622	1,554	51,176
Total comprehensive income for the year							
Profit for the year	–	–	–	4,858	4,858	174	5,032
Other comprehensive income							
Items that may be reclassified subsequently to income statement:							
Financial assets, at FVOCI							
Fair value losses for the year	–	–	(664)	–	(664)	(30)	(694)
Reclassification of (gains)/losses to income statement							
- on disposal	–	–	(122)	–	(122)	(9)	(131)
- on impairment	–	–	3	–	3	(#)	3
Tax on net movements	–	–	91	–	91	7	98
Cash flow hedges	–	–	–	(#)	(#)	–	(#)
Currency translation on foreign operations	–	–	–	110	110	–	110
Other comprehensive income of associates	–	–	127	212	339	–	339
Items that will not be reclassified subsequently to income statement:							
Currency translation on foreign operations	–	–	–	–	–	(1)	(1)
Equity instruments, at FVOCI, net change in fair value	–	–	55	65	120	14	134
Defined benefit plans remeasurements	–	–	–	(1)	(1)	(#)	(1)
Own credit	–	–	–	1	1	–	1
Total other comprehensive income, net of tax	–	–	(510)	387	(123)	(19)	(142)
Total comprehensive income for the year	–	–	(510)	5,245	4,735	155	4,890
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Transfers	13	(436)	–	423	–	–	–
Buy-back of shares for holding as treasury shares	(406)	–	–	–	(406)	–	(406)
Dividends and distributions	–	–	–	(1,886)	(1,886)	(34)	(1,920)
Shares issued in lieu of ordinary dividends	376	–	–	–	376	–	376
DSP reserve from dividends on unvested shares	–	–	–	10	10	–	10
Share-based payments for staff costs	–	9	–	–	9	–	9
Shares issued to non-executive directors	1	–	–	–	1	–	1
Shares issued under Share Option Scheme	1	–	–	–	1	–	1
Shares transferred to DSP Trust	83	(93)	–	–	(10)	–	(10)
Shares vested under DSP Scheme	–	73	–	–	73	–	73
Treasury shares transferred/sold	139	–	–	–	139	–	139
Total contributions by and distributions to owners	207	(447)	–	(1,453)	(1,693)	(34)	(1,727)
Changes in interests in subsidiaries that do not result in loss of control	–	–	–	(1)	(1)	(#)	(1)
Total changes in interests in subsidiaries	–	–	–	(1)	(1)	(#)	(1)
Balance at 31 December 2021	19,238	782	848	31,795	52,663	1,675	54,338
Included in the balances:							
Share of reserves of associates	–	–	174	3,115	3,289	–	3,289

(1) Included regulatory loss allowance reserve of $874 million at 1 January 2021 and $444 million at 31 December 2021.

(2) # represents amounts less than $0.5 million.

An analysis of the movements in each component within 'Share capital', 'Other equity instruments', 'Capital reserves' and 'Revenue reserves' is presented in Notes 13 to 16.

The accompanying notes form an integral part of these financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY - GROUP

For the financial year ended 31 December 2021

	Attributable to equity holders of the Bank						
In $ million	**Share capital and other equity**	**Capital reserves [1]**	**Fair value reserves**	**Revenue reserves**	**Total**	**Non-controlling interests**	**Total equity**
Balance at 1 January 2020	18,758	1,253	919	26,232	47,162	1,441	48,603
Total comprehensive income for the year							
Profit for the year	–	–	–	3,586	3,586	142	3,728
Other comprehensive income							
Items that may be reclassified subsequently to income statement:							
Financial assets, at FVOCI							
Fair value gains for the year	–	–	819	–	819	58	877
Reclassification of (gains)/losses to income statement							
- on disposal	–	–	(461)	–	(461)	(45)	(506)
- on impairment	–	–	5	–	5	#	5
Tax on net movements	–	–	(34)	–	(34)	(3)	(37)
Cash flow hedges	–	–	–	#	#	–	#
Currency translation on foreign operations	–	–	–	42	42	–	42
Other comprehensive income of associates	–	–	(44)	173	129	–	129
Items that will not be reclassified subsequently to income statement:							
Currency translation on foreign operations	–	–	–	–	–	(12)	(12)
Equity instruments, at FVOCI, net change in fair value	–	–	154	(41)	113	3	116
Defined benefit plans remeasurements	–	–	–	#	#	#	#
Own credit	–	–	–	1	1	–	1
Total other comprehensive income, net of tax	–	–	439	175	614	1	615
Total comprehensive income for the year	–	–	439	3,761	4,200	143	4,343
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Transfers	3	2	–	(5)	–	–	–
Buy-back of shares for holding as treasury shares	(63)	–	–	–	(63)	–	(63)
Dividends and distributions [2]	–	–	–	(1,993)	(1,993)	(34)	(2,027)
Shares issued in lieu of ordinary dividends [2]	526	–	–	–	526	–	526
DSP reserve from dividends on unvested shares	–	–	–	10	10	–	10
Perpetual capital securities issued	200	–	–	–	200	–	200
Perpetual capital securities redeemed	(499)	–	–	(1)	(500)	–	(500)
Share-based payments for staff costs	–	11	–	–	11	–	11
Shares issued to non-executive directors	1	–	–	–	1	–	1
Shares transferred to DSP Trust	–	(10)	–	–	(10)	–	(10)
Shares vested under DSP Scheme	–	62	–	–	62	–	62
Treasury shares transferred/sold	105	(89)	–	–	16	–	16
Total contributions by and distributions to owners	273	(24)	–	(1,989)	(1,740)	(34)	(1,774)
Changes in interests in subsidiaries that do not result in loss of control	–	–	–	(#)	(#)	4	4
Total changes in interests in subsidiaries	–	–	–	(#)	(#)	4	4
Balance at 31 December 2020	19,031	1,229	1,358	28,004	49,622	1,554	51,176
Included in the balances:							
Share of reserves of associates	–	–	47	2,217	2,264	–	2,264

(1) Included regulatory loss allowance reserve of $876 million at 1 January 2020 and $874 million at 31 December 2020.

(2) Comparatives have been reclassified to conform to current year's presentation.

(3) # represents amounts less than $0.5 million.

An analysis of the movements in each component within 'Share capital', 'Other equity instruments', 'Capital reserves' and 'Revenue reserves' is presented in Notes 13 to 16.

The accompanying notes form an integral part of these financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY – BANK

For the financial year ended 31 December 2021

In $ million	Share capital and other equity	Capital reserves [1]	Fair value reserves	Revenue reserves	Total equity
Balance at 1 January 2021	**19,031**	**994**	**300**	**14,560**	**34,885**
Profit for the year	–	–	–	**2,726**	**2,726**
Other comprehensive income	–	–	(325)	(16)	(341)
Total comprehensive income for the year [2]	–	–	(325)	**2,710**	**2,385**
Transfers	13	(444)	–	**431**	–
Buy-back of shares for holding as treasury shares	**(406)**	–	–	–	**(406)**
Dividends and distributions	–	–	–	**(1,886)**	**(1,886)**
Shares issued in lieu of ordinary dividends	**376**	–	–	–	**376**
DSP reserve from dividends on unvested shares	–	–	–	**10**	**10**
Share-based payments for staff costs	–	**9**	–	–	**9**
Shares issued to non-executive directors	**1**	–	–	–	**1**
Shares issued under Share Option Scheme	**1**	–	–	–	**1**
Shares transferred to DSP Trust	**83**	–	–	–	**83**
Treasury shares transferred/sold	**139**	–	–	–	**139**
Balance at 31 December 2021	**19,238**	**559**	**(25)**	**15,825**	**35,597**
Balance at 1 January 2020	18,758	986	114	14,142	34,000
Profit for the year	–	–	–	2,346	2,346
Other comprehensive income	–	–	186	56	242
Total comprehensive income for the year [2]	–	–	186	2,402	2,588
Transfers	3	(3)	–	–	–
Buy-back of shares for holding as treasury shares	(63)	–	–	–	(63)
Dividends and distributions [3]	–	–	–	(1,993)	(1,993)
Shares issued in lieu of ordinary dividends [3]	526	–	–	–	526
DSP reserve from dividends on unvested shares	–	–	–	10	10
Perpetual capital securities issued	200	–	–	–	200
Perpetual capital securities redeemed	(499)	–	–	(1)	(500)
Share-based payments for staff costs	–	11	–	–	11
Shares issued to non-executive directors	1	–	–	–	1
Treasury shares transferred/sold	105	–	–	–	105
Balance at 31 December 2020	19,031	994	300	14,560	34,885

[1] Included regulatory loss allowance reserve of $874 million at 1 January 2021 (1 January 2020: $874 million) and $444 million at 31 December 2021 (31 December 2020: $874 million).

[2] Refer to Statements of Comprehensive Income for detailed breakdown.

[3] Comparatives have been reclassified to conform to current year's presentation.

An analysis of the movements in each component within 'Share capital', 'Other equity instruments', 'Capital reserves' and 'Revenue reserves' is presented in Notes 13 to 16.

The accompanying notes form an integral part of these financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 December 2021

In $ million	2021	2020
Cash flows from operating activities		
Profit before income tax	**5,680**	4,165
Adjustments for non-cash items:		
Allowances for loans and other assets	**873**	2,043
Amortisation of intangible assets	**103**	104
Change in hedging transactions, fair value through profit or loss securities and debt issued	**104**	26
Depreciation of property and equipment and interest expense on lease liabilities	**416**	424
Net gain on disposal of government, debt and equity securities	**(92)**	(208)
Net gain on disposal of property and equipment	**(107)**	(44)
Net gain on disposal of interest in a subsidiary	**–**	(9)
Share-based costs	**73**	76
Share of results of associates, net of tax	**(824)**	(612)
Items relating to life insurance fund		
Surplus before income tax	**1,221**	687
Surplus transferred from life insurance fund	**(1,137)**	(698)
Operating profit before change in operating assets and liabilities	**6,310**	5,954
Change in operating assets and liabilities:		
Deposits of non-bank customers	**27,510**	12,115
Deposits and balances of banks	**(1,347)**	1,336
Derivative payables and other liabilities	**(6,908)**	9,161
Trading portfolio liabilities	**55**	247
Restricted balances with central banks	**(764)**	695
Government securities and treasury bills	**1,614**	(4,039)
Fair value through profit or loss securities	**(7,059)**	(698)
Placements with and loans to banks	**7,354**	3,048
Loans to customers	**(23,685)**	(3,101)
Derivative receivables and other assets	**4,087**	(9,919)
Net change in other assets and liabilities of life insurance fund	**8,029**	1,660
Cash provided by operating activities	**15,196**	16,459
Income tax paid [1]	**(913)**	(822)
Net cash provided by operating activities	**14,283**	15,637
Cash flows from investing activities		
Dividends from associates	**138**	201
Investment in associates	**(514)**	(418)
Purchases of debt and equity securities	**(12,475)**	(14,882)
Purchases of life insurance fund investment securities	**(41,636)**	(37,978)
Purchases of property and equipment	**(443)**	(384)
Proceeds from disposal of debt and equity securities	**12,642**	12,133
Proceeds from disposal of interest in a subsidiary	**–**	32
Proceeds from disposal of life insurance fund investment securities	**34,345**	36,871
Proceeds from disposal of property and equipment	**152**	86
Net cash used in investing activities	**(7,791)**	(4,339)
Cash flows from financing activities		
Changes in non-controlling interests	**(1)**	4
Buy-back of shares for holding as treasury shares	**(406)**	(63)
Dividends and distributions paid	**(1,544)**	(1,501)
Net redemption of other debt issued (Note 21.6)	**(3,840)**	(6,961)
Net proceeds from perpetual capital securities issued	**–**	200
Repayments of lease liabilities	**(91)**	(93)
Proceeds from subordinated debt issued (Note 21.6)	**–**	1,365
Proceeds from treasury shares transferred/sold under the Bank's employee share schemes	**140**	16
Redemption of perpetual capital securities issued	**–**	(500)
Redemption of subordinated debt issued (Note 21.6)	**(400)**	–
Net cash used in financing activities	**(6,142)**	(7,533)
Net change in cash and cash equivalents	**350**	3,765
Net currency translation adjustments	**282**	253
Cash and cash equivalents at 1 January	**22,078**	18,060
Cash and cash equivalents at 31 December (Note 23)	**22,710**	22,078

[1] In 2021, the Group paid income tax of $913 million (2020: $822 million), of which $280 million (2020: $230 million) was paid in Singapore and $633 million (2020: $592 million) in other jurisdictions.

The accompanying notes form an integral part of these financial statements.

These notes form an integral part of the financial statements.

The Board of Directors of Oversea-Chinese Banking Corporation Limited authorised these financial statements for issue on 22 February 2022.

1. General

Oversea-Chinese Banking Corporation Limited (the Bank) is incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited. The address of the Bank's registered office is 63 Chulia Street, #10-00 OCBC Centre East, Singapore 049514.

The consolidated financial statements relate to the Bank and its subsidiaries (together referred to as the Group) and the Group's interests in associates. The Group is principally engaged in the business of banking, life insurance, general insurance, asset management, investment holding, futures and stockbroking.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)) as required by the Singapore Companies Act 1967 (the Act).

The financial statements are presented in Singapore Dollar, rounded to the nearest million unless otherwise stated. # represents amounts less than $0.5 million. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement, use estimates and make assumptions in the application of accounting policies on the reported amounts of assets, liabilities, revenues and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from these estimates. Critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a high degree of judgement or complexity, are disclosed in Note 2.25.

The following new/revised financial reporting standards and interpretations were applied with effect from 1 January 2021:

SFRS(I)	Title
SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4, SFRS(I) 16 (Amendments)	*Interest Rate Benchmark Reform – Phase 2*
SFRS(I) 16 (Amendments)	*COVID-19-Related Rent Concessions beyond 30 June 2021*

The initial application of the above standards (including their consequential amendments) and interpretations did not have any material impact on the Group's financial statements, except for the amendments to SFRS(I) 9, SFRS (I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16 (Amendments) *Interest Rate Benchmark Reform – Phase 2*.

2. Summary of significant accounting policies *(continued)*

2.1 Basis of preparation *(continued)*

Adoption of SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4, SFRS(I) 16 (Amendments)
Interest Rate Benchmark Reform – Phase 2

The Group adopted the amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16 on 1 January 2021. The amendments addresses issues that might affect the Group as a result of the reform of an interest rate benchmark, including the effects of changes to contractual cash flows or hedging relationships arising from the replacement of an existing interest rate benchmark with an alternative benchmark.

(i) Change in basis for determining cash flows
The amendments will require an entity to account for a change in the basis for determining the contractual cash flows of a financial asset or financial liability which is required by interest rate benchmark reform by updating the effective interest rate of the financial asset or financial liability. As a result, no immediate gain or loss is recognised. This applies only when the change is necessary as a direct consequence of the reform, and the new basis for determining the contractual cash flows is economically equivalent to the previous basis.

(ii) Hedge accounting
The amendments provide exceptions to the hedge accounting requirements that will assist the Group to maintain its existing hedging relationships post transition to the alternative benchmark rate. The Group will continue to record any ongoing hedge ineffectiveness in profit or loss.

(iii) Disclosure
The amendments will require the Group to disclose additional information about the Group's exposure to risks arising from interest rate benchmark reform and related risk management activities.

These amendments will impact the Group's financial statements when financial instruments referencing interest rate benchmarks that are impacted by the interest rate benchmark reform are modified. Refer to Note 2.5.3 and Note 2.7 for significant accounting policies with respect to the modifications. Refer to Note 40 for additional disclosures arising from the Phase 2 amendments.

2. Summary of significant accounting policies *(continued)*

2.2 Basis of consolidation

2.2.1 Subsidiaries

Subsidiaries are entities over which the Group controls when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are consolidated from the date when control is transferred to the Group and cease to be consolidated on the date when that control ceases. The Group reassesses whether it controls an investee if facts and circumstances indicate that there have been changes to its power, its rights to variable returns or its ability to use its power to affect its returns.

In preparing the consolidated financial statements, intra-group transactions and balances, together with unrealised income and expenses arising from the intra-group transactions among group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies within the Group.

Non-controlling interests (NCI) represent the equity in subsidiaries not attributable, directly or indirectly, to shareholders of the Bank, and are presented separately from equity attributable to equity holders of the Bank. For NCI that arise through minority unit holders' interest in the insurance subsidiaries of Great Eastern Holdings Limited (GEH) consolidated investment funds, they are recognised as a liability. These interests qualify as a financial liability as they give the holder the right to put the instrument back to the issuer for cash. Changes in these liabilities are recognised in the income statement as expenses.

The Group applies the acquisition method to account for business combinations. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any NCI either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets at the date of acquisition on an acquisition-by-acquisition basis.

The excess of the fair value of consideration transferred, the recognised amount of any NCI in the acquiree and the acquisition-date fair values of any previously held equity interest in the acquiree over the fair value of the identifiable net assets acquired is recognised as goodwill at the date of acquisition. When the excess is negative, a bargain purchase gain is recognised immediately in the income statements.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition has occurred at the beginning of the earliest comparative year presented or, if later, at the date that common control was established; for this purpose comparatives are reclassified. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within the Group's equity and any gain/loss arising is recognised directly in equity.

2. Summary of significant accounting policies *(continued)*

2.2 Basis of consolidation *(continued)*

2.2.2 Structured entities

A structured entity is an entity in which voting or similar rights are not the dominant factor in deciding control and is generally established for a narrow and well-defined objective.

For the purpose of disclosure, the Group is considered to be the sponsor of a structured entity if it has a key role in establishing the structured entity or its name appears in the overall structure of the structured entity.

2.2.3 Associates and joint ventures

Associates are entities over which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

Joint ventures are arrangements to undertake economic activities in which the Group has joint control and rights to the net assets of the entities.

Investments in associates and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting. If the investment in an associate is held by, or is held indirectly through, an entity that is a venture capital organisation, or a mutual fund, unit trust and similar entities including investment-linked insurance funds, the Group may elect to measure that investment at fair value through profit or loss in accordance with SFRS(I) 9 *Financial Instruments*. The Group will make this election separately for each associate, at initial recognition of the associate.

Under equity accounting, the investment is initially recognised at cost, and the carrying amount is adjusted for post-acquisition changes of the Group's share of the net assets of the entity until the date the significant influence or joint control ceases. The Group's investment in associates and joint ventures includes goodwill identified on acquisition, where applicable. When the Group's share of losses equals or exceeds its interests in the associates and joint ventures, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the entities.

In applying the equity method of accounting, unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interests in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of associates and joint ventures to ensure consistency of accounting policies with those of the Group.

The results of associates and joint ventures are taken from audited financial statements or unaudited management accounts of the entities concerned, made up to dates of not more than three months prior to the reporting date of the Group.

The investment in an associate or joint venture is derecognised when the Group ceases to have significant influence or joint control, respectively, over the investee. Amounts previously recognised in other comprehensive income (OCI) in respect of the investee are transferred to the income statement. Any retained interest in the entity is re-measured at its fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control ceases, and its corresponding fair value, is recognised in the income statement.

2. Summary of significant accounting policies *(continued)*

2.2 Basis of consolidation *(continued)*

2.2.4 Life insurance companies

Certain subsidiaries of the Group engaged in life insurance business are structured into one or more long-term life insurance funds, and shareholders' funds. All premiums received, investment returns, claims and expenses, and changes in liabilities to policyholders are accounted for within the related life insurance fund. Any surplus, which is determined by the appointed Actuary after taking into account these items, may either be distributed to the shareholders and the policyholders according to a predetermined formula or retained within the life insurance funds. The amount allocated to shareholders is reported as "Profit from life insurance" in the Group's consolidated income statement.

2.2.5 Accounting for subsidiaries and associates by the Bank

Investments in subsidiaries and associates are stated in the Bank's balance sheet at cost less any impairment in value after the date of acquisition.

2.3 Currency translation

2.3.1 Foreign currency transactions

Transactions in foreign currencies are recorded in the respective functional currencies of the Bank and its subsidiaries at the exchange rates prevailing on the transaction dates. Monetary items denominated in foreign currencies are translated to the respective entities' functional currencies at the exchange rates prevailing at the reporting date. Exchange differences arising on settlement and translation of such items are recognised in the income statement.

Non-monetary items denominated in foreign currencies that are measured at fair value are translated at the exchange rate on the date the fair value is determined. Exchange differences on non-monetary items such as equity investments classified as fair value through other comprehensive income (FVOCI) financial assets are recognised in OCI and presented in the fair value reserve within equity.

2.3.2 Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustment arising on the acquisition of a foreign operation, are translated to Singapore Dollar at exchange rates prevailing at the reporting date. The income and expenses of foreign operations are translated to Singapore Dollar at average exchange rates for the year, which approximate the exchange rates at the dates of the transactions.

Differences arising from the translation of a foreign operation are recognised in OCI and presented in the currency translation reserve within equity. When a foreign operation is disposed of, in part or in full, the relevant amount in the currency translation reserve is included in the income statement on disposal of the operation.

2.4 Cash and cash equivalents

In the consolidated cash flow statement, cash and cash equivalents comprise cash on hand, balances, money market placements and reverse repo transactions with central banks which are generally short-term financial instruments or repayable on demand.

2. Summary of significant accounting policies *(continued)*

2.5 Financial instruments

2.5.1 Recognition

The Group initially recognises derivative financial instruments (forwards, futures, swaps and options) on the trade date. It initially recognises non-derivative financial instruments (loans and advances, deposits and debts issued, and regular way purchases and sales of financial assets) on the settlement date. Regular-way purchases and sales are those with delivery of assets within the time period established by regulation or market convention.

2.5.2 De-recognition

Financial assets are de-recognised when the Group's contractual rights to the cash flows from the financial assets expire or when the Group transfers the financial asset to another party without retaining control or transfers substantially all the risks and rewards of ownership of the asset. Financial liabilities are de-recognised when the Group's obligations specified in the contract expire or are discharged or cancelled.

2.5.3 Modification

The original terms of a financial asset may be renegotiated or otherwise modified, resulting in changes to the contractual cash flows of the financial asset. Financial assets that are renegotiated or otherwise modified will be accounted based on the nature and extent of changes that is expected to arise as a result of the modification or renegotiation.

Interest rate benchmark reform ("IBOR reform") (policy applied from 1 January 2021)
If the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changes as a result of interest rate benchmark reform, the Group updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

If changes are made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Group first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Group applies the policies on accounting for modifications set out above to the additional changes.

2.5.4 Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when there is a legally enforceable right to offset the amounts and an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted by the accounting standards.

2. Summary of significant accounting policies *(continued)*

2.5 Financial instruments *(continued)*

2.5.5 Sale and repurchase agreements (including securities lending and borrowing)

Repurchase agreements (repos) are regarded as collateralised borrowing. The securities sold under repos are treated as pledged assets and remain as assets on the balance sheets. The amount borrowed is recorded as a liability. Reverse repos are treated as collateralised lending and the amount of securities purchased is included in placements with central banks, loans to banks and non-bank customers. The difference between the amount received and the amount paid under repos and reverse repos is amortised as interest expense and interest income respectively.

Securities lending and borrowing transactions are generally secured, with collateral taking the form of securities or cash. The transfer of securities to or from counterparties is not reflected on the balance sheet. Cash collateral advanced or received is recorded as an asset or a liability respectively.

2.6 Non-derivative financial assets

Classification and measurement of financial assets

A non-derivative financial asset is initially recognised at fair value and is subsequently measured either at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Directly attributable transaction costs are included as part of the initial cost for financial instruments that are not subsequently measured at fair value through profit or loss.

(a) Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy of how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading and whose performance is evaluated or managed on a fair value basis are measured at FVTPL because they are neither within the business model to hold the assets to collect contractual cash flows, nor within the business model to hold the assets both to collect contractual cash flows and to sell.

2. Summary of significant accounting policies *(continued)*

2.6 Non-derivative financial assets *(continued)*

(b) Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

2.6.1 Debt instruments measured at amortised cost

A debt financial instrument is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is to hold the asset until maturity to collect contractual cash flows; and
- its contractual terms give rise to cash flows that are solely payments of principal and interest on the principal outstanding.

Debt instruments classified as amortised cost are subject to the expected credit loss requirements in accordance with SFRS(I) 9. Interest earned whilst holding the financial assets is included in interest income.

2.6.2 Debt instruments measured at FVOCI

A debt financial instrument is measured at FVOCI if it meets both of the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial asset; and
- its contractual terms give rise to cash flows that are solely payments of principal and interest on the principal outstanding.

Debt instruments classified as FVOCI are subject to the expected credit loss requirements in accordance with SFRS(I) 9. Interest earned whilst holding the financial assets is included in interest income.

At the reporting date, the Group recognises unrealised fair value gains and losses on revaluing these assets in OCI and presents the cumulative gains and losses in fair value reserve within equity, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in the income statement. At maturity or upon disposal, the cumulative gain or loss previously recognised in OCI is reclassified from fair value reserve to the income statement.

2.6.3 Debt instruments measured at FVTPL

Debt instruments that do not meet the requirements to be measured at amortised cost or at FVOCI are measured at FVTPL. At the reporting date, the Group recognises realised and unrealised gains and losses as trading income in the income statement. Interest earned while holding the assets are included in interest income.

2. Summary of significant accounting policies *(continued)*

2.6 Non-derivative financial assets *(continued)*

Classification and measurement of financial assets *(continued)*

(b) Assessment of whether contractual cash flows are solely payments of principal and interest *(continued)*

2.6.4 Designation at FVTPL

On initial recognition, the Group may irrevocably designate a financial asset at FVTPL notwithstanding that it would otherwise meet the requirements to be measured at amortised cost or at FVOCI, if doing so, it eliminates or significantly reduces an accounting mismatch that would otherwise arise. Upon designation, financial assets are measured at fair value on each reporting date until maturity or derecognition. Realised and unrealised fair value changes are recognised in the income statement.

2.6.5 Equity instruments

Equity instruments held for trading are classified as FVTPL. Equity instruments that are not held for trading may be classified as FVOCI based on an irrevocable election on initial recognition on an investment-by-investment basis.

At the reporting date, realised and unrealised fair value gains or losses on revaluing the equity instruments classified as FVTPL are recognised in the income statement. Realised and unrealised fair value gains or losses on revaluing the equity instruments classified as FVOCI are recognised in OCI and are never reclassified to the income statement.

Dividend earned whilst holding the equity instruments classified as FVTPL is recognised as dividend income in the income statement. Dividend from equity instruments classified as FVOCI is recognised as dividend income in the income statement unless the dividend clearly represents a recovery of part of the cost of the investment.

2.6.6 Reclassification

Financial assets are not reclassified subsequent to their initial recognition, except in the period when the Group changes its business model for managing its financial assets.

2.7 Derivative financial instruments

All derivative financial instruments are recognised initially and subsequently measured at fair value on the balance sheet as an asset or liability depending on whether it is a receivable or a payable, respectively. The resulting gain or loss is recognised immediately in profit or loss unless it qualifies for recognition in other comprehensive income under cash flow or net investment hedge accounting.

Fair values reflect the exit price of the instrument and include adjustments to take into account the credit risk of the Group and the counterparty where appropriate. An embedded derivative is not separated from the host contract that is a financial asset. However, it is separated from the host contract that is a financial liability or a non-financial item for grouping with other stand-alone financial derivatives.

2. Summary of significant accounting policies *(continued)*

2.7 Derivative financial instruments *(continued)*

The Group enters into hedging derivative transactions to manage exposures to interest rate, foreign currency and credit risks arising from its core banking activities of lending and accepting deposits. The Group applies fair value, cash flow or net investment hedge accounting when the transactions meet the specified criteria for hedge accounting.

Before applying any hedge accounting, the Group determines whether an economic relationship exists between the hedged item and the hedging instrument by considering qualitative characteristics or quantitative analysis of these items. In its qualitative assessment, the Group considers whether the critical terms of its hedged item and the hedging instrument are closely aligned and evaluates whether the fair values of the hedged item and the hedging instrument respond in an offsetting manner to similar risks. Where economic hedge relationships meet the hedge accounting criteria, the Group establishes its hedge ratio by aligning the principal amount of the hedging instrument to the extent of its hedged item.

In a fair value hedging relationship, the Group mainly uses interest rate swaps and cross currency swaps to hedge its exposure to changes in the fair value of fixed rate instruments and its foreign currency risk exposure. For qualifying fair value hedges, changes in the fair values of the derivative and of the hedged item relating to the hedged risk are recognised in the income statement. If the hedge relationship is terminated, the fair value adjustment to the hedged item continues to be reported as part of the carrying amount of the asset or liability and is amortised to the income statement as a yield adjustment over the remaining maturity of the asset or liability.

In a cash flow hedging relationship, the Group mainly uses interest rate swaps to hedge the variability in the cash flows of variable rate asset or liability resulting from changes in interest rates. For qualifying cash flow hedges, the effective portion of the change in fair value of the derivative is recognised in the cash flow hedge reserve in equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement. Amounts accumulated in the cash flow hedge reserve remain in equity until the hedged cash flows is recognised in the income statement. When the hedged cash flows are no longer expected to occur, the cumulative gain or loss in the hedge reserve is immediately transferred to the income statement.

"Hedge ineffectiveness" represents the amount by which the changes in the fair value of the hedging instrument differ from changes in the fair value of a benchmark hedging instrument that is a perfect match. The amount of ineffectiveness is recognised immediately in profit or loss. The sources of ineffectiveness for both fair value hedges and cash flow hedges include imperfect economic relationship or mis-matching of key terms between the hedging instrument and the hedged item as well as the effect of credit risk existing in the hedging instrument.

The hedged risk in the Group's net investment hedges is the foreign currency exposure that arises from a net investment in subsidiaries and foreign operations that have a different functional currency from that of the Bank. The risk arises from the fluctuation in spot exchange rates between the functional currency of the subsidiaries and the Bank's functional currency. The Group uses a mixture of derivative financial instruments and liabilities to manage its foreign currency exposure in its net investment hedges. For hedges of net investments in foreign operations which are accounted for in a similar way as cash flow hedges, the gain or loss relating to the effective portion of the hedging instrument is recognised in equity and that relating to the ineffective portion is recognised in the income statement immediately. Gains and losses accumulated in equity are transferred to income statement on disposal of the foreign operations. The main source of ineffectiveness for the Group's net investment hedge is the use of a hedging instrument denominated in a proxy currency that is not perfectly correlated to the actual currency to which the Group is exposed.

2. Summary of significant accounting policies *(continued)*

2.7 Derivative financial instruments *(continued)*

Specific policies for hedges affected by the IBOR reform

For the purpose of evaluating whether there is an economic relationship between the hedged item and the hedging instrument, the Group assumes that the benchmark interest rate is not altered as a result of the interest rate benchmark reform. The Group will cease to apply the specific policy for assessing the economic relationship between the hedged item and the hedging instrument when the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows of the hedged item or hedging instrument, or when the hedging relationship is discontinued.

From 1 January 2021, when the basis for determining the contractual cash flows of the hedged item or hedging instrument changes as a result of IBOR reform, the Group amends the hedge documentation of that hedging relationship to reflect the change(s) required by IBOR reform (as defined in Note 2.5.3). For this purpose, the hedge designation is amended only to make one or more of the following changes:

- designating an alternative benchmark rate as the hedged risk;
- updating the description of the hedged item, including the description of the designated portion of the cash flows or fair value being hedged;
- updating the description of the hedging instrument; or
- updating the description of how the entity will assess hedge effectiveness.

The Group amends the formal hedge documentation by the end of the reporting period during which a change required by IBOR reform is made to the hedged risk, hedged item or hedging instrument. These amendments in the formal hedge documentation do not constitute the discontinuation of the hedging relationship or the designation of a new hedging relationship.

If changes are made in addition to those changes required by IBOR reform described above, the Group first considers whether those additional changes result in the discontinuation of the hedge accounting relationship. If the additional changes do not result in the discontinuation of the hedge accounting relationship, then the Group amends the formal hedge documentation for changes required by IBOR reform as mentioned above.

2.8 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment includes the purchase price and costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent expenditure relating to property, plant and equipment is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised in the income statement during the financial year in which the expenditure is incurred.

2. Summary of significant accounting policies *(continued)*

2.8 Property, plant and equipment *(continued)*

The residual values, useful lives and depreciation methods of property, plant and equipment are reviewed and adjusted as appropriate, at each reporting date, to ensure that they reflect the expected economic benefits derived from these assets.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Furniture and fixtures	–	5 to 10 years
Office equipment	–	5 to 10 years
Computers	–	3 to 10 years
Renovation	–	8 years or remaining lease term, whichever is shorter
Motor vehicles	–	5 years

Freehold land and leasehold land with leases of more than 100 years to expiry are not depreciated. Buildings and other leasehold land are depreciated over 50 years or the period of the lease, whichever is shorter.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefit is expected from its use. Any gain or loss arising on de-recognition of the asset is included in the income statement in the year the asset is de-recognised.

2.9 Investment property

Investment property is property held either for rental income or for capital appreciation or for both. Investment properties, other than those held under the Group's life insurance funds, are stated at cost less accumulated depreciation and impairment losses. Freehold land and leasehold land with leases of more than 100 years to expiry are not depreciated. Buildings and other leasehold land are depreciated over 50 years or the period of the lease, whichever is shorter.

Investment property held under the Group's life insurance fund is stated at fair value at the reporting date and collectively form an asset class which is an integral part of the overall investment strategy for the asset-liability management of the life insurance business. The fair value of the investment property is determined based on objective valuations undertaken by independent valuers at the reporting date. Changes in the carrying amount resulting from revaluation are recognised in the income statement of the life insurance fund.

2.10 Goodwill and other intangible assets

2.10.1 Goodwill

Goodwill on acquisition of subsidiaries represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previously held equity interest over the fair value of the identifiable net assets acquired.

Goodwill is stated at cost less impairment loss. Impairment test is carried out annually, or when there is indication that the goodwill may be impaired.

Gains or losses on disposal of subsidiaries and associates include the carrying amount of goodwill relating to the entity sold.

2. Summary of significant accounting policies *(continued)*

2.10 Goodwill and other intangible assets *(continued)*

2.10.2 Intangible assets

Intangible assets are separately identifiable intangible items arising from acquisitions and are stated at cost less accumulated amortisation and impairment losses. Intangible assets with finite useful lives are amortised over their estimated useful lives. The estimated useful lives range from 6 to 20 years. The useful life of an intangible asset is reviewed at least at each financial year end.

2.11 Non-current assets held for sale

Non-current assets that are expected to be recovered through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the assets are measured in accordance with the Group's accounting policies. Thereafter, the assets are generally measured at the lower of their carrying amount and fair value less cost to sell.

2.12 Impairment of assets

(I) Financial assets

Impairment allowances for financial assets are assessed using a forward-looking expected credit loss (ECL) model in accordance with the requirements of SFRS(I) 9.

2.12.1 Scope

Under SFRS(I) 9, the ECL model is applied to debt financial assets measured at amortised cost or FVOCI and most off-balance sheet loan commitments and financial guarantees.

2.12.2 Expected credit loss impairment model

Under SFRS(I) 9, credit loss allowances are measured on each reporting date according to a three-stage expected credit loss impairment model:

- Stage 1 – On initial recognition and at a subsequent reporting date, where there is no significant increase in credit risk, the expected credit loss will be that resulting from default events that are possible over the next 12 months.
- Stage 2 – Where there is a significant increase in credit risk since the initial recognition, the expected credit loss will be that resulting from default events that are possible over the expected life of the asset.
- Stage 3 – When a financial asset exhibits objective evidence of impairment and is considered to be credit-impaired, the credit loss allowance will be the full lifetime expected credit loss.

2.12.3 Measurement

ECLs are a probability-weighted estimate of credit losses. They are measured based on the cash shortfalls as elaborated below:

(a) Financial assets that are not credit-impaired (Stage 1 and Stage 2) at the reporting date: The present value of all cash shortfalls (i.e. the cash flows due to the entity in accordance with the contract less the cash flows that the Group expects to receive);
(b) Financial assets that are credit-impaired (Stage 3) at the reporting date: The gross carrying amount less the present value of cash flows that the Group expects to receive;
(c) Undrawn loan commitments: The contractual cash flows that are due to the Group if the commitment is drawn down less the cash flows that the Group expects to receive; and
(d) Financial guarantee contracts: The expected payments to reimburse the holder less any amounts that the Group expects to recover.

2. Summary of significant accounting policies *(continued)*

2.12 Impairment of assets *(continued)*

(I) Financial assets *(continued)*

2.12.3 Measurement *(continued)*

The key inputs used in the measurement of ECL are:

- Probability of default (PD) – This is an estimate of the likelihood of default over a time period such as one year or the exposure's expected life time.
- Loss given default (LGD) - This is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, including from any collateral.
- Exposure at default (EAD) - This is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest as well as expected drawdowns on committed facilities.

For Stage 1 exposures, ECL is calculated by multiplying the 12-month PD by LGD and EAD. For Stage 2 and Stage 3 exposures, ECL is calculated by multiplying lifetime PD by LGD and EAD.

Loans to customers that are collectively assessed are grouped on the basis of shared credit risk characteristics such as loan type, industry, geographical location of the borrower, collateral type and other relevant factors.

All key inputs (PD, LGD and EAD) used to estimate Stage 1 and Stage 2 credit loss allowances are modelled based on three macroeconomic scenarios (or changes in macroeconomic variables) that are most closely correlated with credit losses in the relevant portfolio.

The three macroeconomic scenarios represent a most likely "Base" outcome, and two other less likely "Upside" and "Downside" scenarios. These scenarios are probability-weighted and underlying key macroeconomic assumptions are based on independent external and in-house views. The assumptions are subject to regular management reviews to reflect current economic situations.

Each macroeconomic scenario used in the expected credit loss calculation includes a projection of all relevant macroeconomic variables used in the models for the lifetime period, reverting to long-run averages generally after 3 to 5 year periods. Depending on their usage in the models, macroeconomic variables are projected at a country or more granular level which differ by portfolio. The primary macroeconomic variables adopted are Gross Domestic Product, Unemployment rate, Property Price Index and Interest rate.

The definition of default used in the measurement of expected credit losses is consistent with the definition of default used for credit risk management purposes. The default definition has been applied consistently to model the PD, LGD and EAD throughout Group's expected credit loss calculations.

The Group considers a financial asset to be in default by assessing both quantitative and qualitative criteria such as days past due and the terms of financial covenants. A default occurs when the borrower or bond issuer is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held) or when the financial asset is more than 90 days past due.

A financial asset is considered to be no longer in default when there is an established trend of credit improvement, supported by an assessment of the borrower's repayment capability, cash flows and financial position.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Financial assets are written off against their related impairment allowances when all feasible recovery actions have been exhausted or when the recovery prospects are considered remote.

2. Summary of significant accounting policies *(continued)*

2.12 Impairment of assets *(continued)*

(I) Financial assets *(continued)*

2.12.4 Movement between stages

Movements between Stage 1 and Stage 2 are based on whether an instrument's credit risk as at the reporting date has increased significantly since its initial recognition.

The Group considers both qualitative and quantitative parameters in the assessment of whether this is a significant increase in credit risk. These include the following:

(a) The Group has established thresholds for significant increases in credit risk based on both a relative and absolute change in lifetime PD relative to initial recognition.
(b) The Group conducts qualitative assessment to ascertain if there has been significant increase in credit risk.
(c) The Group uses days past due as a further indication of significant increase in credit risk.

Movements between Stage 2 and Stage 3 are based on whether financial assets are credit-impaired as at the reporting date. The determination of whether a financial asset is credit-impaired under SFRS(I) 9 will be based on objective evidence of impairment.

The assessments for a significant increase in credit risk since initial recognition and credit-impairment are performed independently as at each reporting period. Assets can move in both directions through the stages of the impairment model. After a financial asset has migrated to Stage 2, if it is no longer considered that credit risk has significantly increased relative to initial recognition in a subsequent reporting period, it will move back to Stage 1. A modification of the terms of a financial asset that does not result in derecognition will result in the financial asset being transferred out of Stage 3 if the indicators of it being identified as credit-impaired is no longer met and that the evidence for its transfer out of Stage 3 solely relates to events such as up-to-date and timely payment occurring in the subsequent periods.

If a modified financial asset results in derecognition, the new financial asset will be recognised under Stage 1, unless it is assessed to be credit-impaired at the time of the modification.

2.12.5 Regulatory requirement

Under MAS 612 requirement, the Group is required to maintain a minimum regulatory loss allowance (MRLA) of 1% of the gross carrying amount of selected credit exposures, net of collateral. Where the accounting loss allowance of selected non-credit-impaired exposures computed under SFRS(I) 9 is less than the MRLA, the Group shall maintain the difference in a non-distributable regulatory loss allowance reserve (RLAR) account through the appropriation of revenue reserves. Where the aggregated accounting loss allowance and RLAR exceeds the MRLA, the Group may transfer the excess amount in the RLAR to revenue reserves.

2. Summary of significant accounting policies *(continued)*

2.12 Impairment of assets *(continued)*

(II) Other assets

2.12.6 Goodwill

For the purpose of impairment testing, goodwill is allocated to each of the Group's Cash Generating Units (CGU) expected to benefit from synergies of the business combination. The Group's CGUs correspond with the business segments identified in the primary segment report.

Impairment loss on goodwill cannot be reversed in subsequent periods.

2.12.7 Investments in subsidiaries and associates
Property, plant and equipment
Investment property
Intangible assets

Investments in subsidiaries and associates, property, plant and equipment, investment property and intangible assets, are reviewed for impairment on the reporting date or whenever there is any indication that the carrying amount of an asset may not be recoverable. If such an indication exists, the carrying amount of the asset is written down to its recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use).

The impairment loss is recognised in the income statement, and is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) if no impairment loss had been recognised for the asset in prior years.

2.13 Insurance receivables

Insurance receivables are recognised when due. They are measured at initial recognition at the fair value received or receivable. Subsequent to initial recognition, insurance receivables are measured at amortised cost, using the effective interest method. A loss allowance is measured at an amount equal to lifetime expected credit losses, with the impairment loss recognised in the income statement. Insurance receivables are derecognised when the derecognition criteria for financial assets has been met. The Group's insurance receivables include outstanding premium, policy loan and reinsurance receivables. Policy loans are loans and advances made to policyholders, and are collateralised by the underlying policies.

2.14 Financial liabilities

A non-derivative financial liability is initially recognised at fair value less transaction costs and is subsequently measured at amortised cost using the effective interest method except where it is designated as FVTPL.

For financial liabilities designated at fair value, gains and losses arising from changes in fair value are recognised in the net trading income line in the income statement except for changes in fair value attributable to the Group's own credit risk where it is presented directly within other comprehensive income. Amounts recorded in OCI related to this credit risk are not subject to recycling in profit or loss, but are transferred to unappropriated profit when realised. Financial liabilities are held at fair value through profit or loss when:

(a) they are acquired or incurred for the purpose of selling or repurchasing in the near term;
(b) the fair value option designation eliminates or significantly reduces accounting mismatch that would otherwise arise; or
(c) the financial liability contains an embedded derivative that would otherwise need to be separately recorded.

2. Summary of significant accounting policies *(continued)*

2.15 Provisions and other liabilities

2.15.1 Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where a provision is expected to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset only when it is virtually certain that reimbursement will be received.

Provision for insurance agents' retirement benefits, including deferred benefits, is calculated according to terms and conditions stipulated in the respective agent's agreement. The deferred/retirement benefit accumulated at the reporting date includes accrued interest.

2.15.2 Policy benefits

Policy benefits are recognised when a policyholder exercises the option to deposit the survival benefits with the life insurance subsidiaries when the benefit falls due. Policy benefits are interest bearing at rates adjusted from time to time by the life insurance subsidiaries. Interest payable on policy benefits is recognised in the income statements as incurred.

2.16 Insurance contracts

Insurance contracts are those contracts where the Group (the insurer), mainly the insurance subsidiaries of GEH, has accepted significant insurance risk from the policyholders by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders. As a general guideline, the Group determines whether it has significant insurance risk, by comparing benefits paid with benefits payable if the insured event did not occur. Insurance contracts can also transfer financial risk.

Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expired.

For the purpose of SFRS(I) 4 *Insurance Contracts*, the Group adopts maximum policy benefits as the proxy for insurance risk and cash surrender value or discounted maturity value as the proxy for realisable value of the insurance contract. The Group defines insurance risk to be significant when the ratio of the insurance risk over the deposit component is not less than 105% of the deposit component at inception of the insurance contract. Based on this definition, all policy contracts issued by insurance subsidiaries within the Group are considered insurance contracts as at the reporting date.

Certain subsidiaries within the Group, primarily GEH and its subsidiaries (GEH Group), write insurance contracts in accordance with insurance regulations prevailing in their respective jurisdictions. Disclosures on the various insurance contract liabilities are classified into the principal components, as follows:

(a) Life insurance contract liabilities, comprising
- Participating Fund contract liabilities;
- Non-participating Fund contract liabilities; and
- Investment-linked Fund contract liabilities.

(b) Non-life insurance contract liabilities

(c) Reinsurance contracts

2. Summary of significant accounting policies *(continued)*

2.16 Insurance contracts *(continued)*

Life insurance contract liabilities

Insurance contracts are recognised and measured in accordance with the terms and conditions of the respective contracts and are based on guidelines laid down by the respective insurance regulations. Premiums, claims and benefit payments, acquisition and management expenses and valuation of future policy benefit payments or premium reserves as the case may be, are recognised in the income statements of the respective insurance subsidiaries.

The valuation of insurance contract liabilities is determined according to the Insurance Regulations:

(a) Singapore Insurance Act 1966, Insurance (Valuation and Capital) Regulations 2004 for insurance funds regulated in Singapore (MAS Regulations); and

(b) Risk-Based Capital Framework for Insurers for insurance funds regulated in Malaysia.

Life insurance contract liabilities are recognised when contracts are entered into and premiums are charged. These liabilities are measured by using the gross premium valuation method. The liability is determined as the sum of the present value of future guaranteed and, where relevant, appropriate level of non-guaranteed benefits and expenses, less the present value of future gross considerations arising from the policy discounted at the appropriate discount rate. The liability is based on best estimate assumptions and with due regard to significant recent experience. An appropriate risk margin allowance for adverse deviation from expected experience is made in the valuation of non-participating life policies, the guaranteed benefit liabilities of participating life policies and liabilities of non-unit investment-linked policies.

The liability in respect of participating insurance contracts is based on the higher of the guaranteed benefit liabilities or the total benefit liabilities at the contract level derived as stated above.

In the case of life policies where part of, or all the premiums are accumulated in a fund, the accumulated amounts, as declared to policyholders are shown as liabilities if the accumulated amounts are higher than the amounts as calculated using the gross premium valuation method.

In the case of short-term life policies covering contingencies other than death or survival, the liability for such life insurance contracts comprises the provision for unearned premiums and unexpired risks, together with provision for claims outstanding, including an estimate of the incurred claims that have not yet been reported to the Group.

Risk transfer

The Group issues a variety of short and long duration insurance contracts which transfer risks from the policyholders to the Group to protect policyholders from the consequences of insured events such as death, disability, illness, accident, including survival. These contracts may transfer both insurance and investment risk or insurance risk alone, from the policyholders to the Group.

For non-participating policy contracts other than medical insurance policy contracts, the payout to policyholders upon the occurrence of the insured event is pre-determined and the transfer of risk is absolute. For medical insurance policy contracts, the payout is dependent on the actual medical costs incurred upon the occurrence of the insured event.

Contracts which transfer insurance risk alone from policyholders to the Group are commonly known as investment linked policies. As part of the pricing for these contracts, the insurance subsidiaries within the Group include certain charges and fees to cover for expenses and insured risk. The net investment returns derived from the variety of investment funds as selected by the policyholders accrue directly to the policyholders.

The Group issues investment linked contracts as an insurance contract which insure human life events such as death or survival over a long duration; coupled with an embedded derivative linking death benefit payments on the contract to the value of a pool of investments within the investment linked fund set up by the insurance subsidiary. As an embedded derivative meets the definition of an insurance contract it need not be separately accounted for from the host insurance contract. The liability valuation for such contracts is adjusted for changes in the fair value of the underlying assets at frequencies in accordance with the terms and conditions of the insurance contracts.

2. Summary of significant accounting policies *(continued)*

2.16 Insurance contracts *(continued)*

Life insurance contract liabilities *(continued)*
The table below provides the key underlying assumptions used for valuation of life insurance contract liabilities.

	Singapore	Malaysia
Valuation method [1]	Gross premium valuation For Participating Fund, the method that produces the higher reserves of: (i) Guaranteed and non-guaranteed cash flows discounted at the appropriate rate of return reflecting the strategic asset allocation; (ii) Guaranteed cash flows discounted using the interest rate outlined below; and (iii) Total assets less all liabilities except insurance contract liabilities of the Participant fund.	Gross premium valuation For Participating Fund, the method that produces the higher reserves of: (i) Guaranteed and non-guaranteed cash flows discounted at the appropriate rate of return reflecting the strategic asset allocation, i.e. Total Benefit Reserves; and (ii) Guaranteed cash flows discounted using Malaysia Government Securities zero coupon spot yields (as outlined below). For Asset Share Participating Products, the Total Benefit Reserves will be further adjusted in accordance to the value of Policy Asset.
Discount rate [1]	For policies denominated in SGD/USD: (i) Singapore Government Securities/ US Treasury yields for cash flows up to 20 years and 30 years respectively; (ii) Ultimate forward rate of 3.8% applicable for cash flows beyond 60 years; (iii) Extrapolated yields in between; and (iv) Adjustments for matching adjustment and illiquidity premium according to MAS Notice 133, if any.	Malaysia Government Securities yields determined based on the following: (i) For cash flows with duration less than 15 years, Malaysia Government Securities zero coupon spot yields of matching duration. (ii) For cash flows with duration 15 years or more, Malaysia Government Securities zero coupon spot yields of 15 years to maturity.
Mortality, Disability, Dread disease, Expenses, Lapse and surrenders [1]	Participating Fund: - Best estimates for Gross Premium Valuation method (i); - Best estimates plus provision for adverse deviation (PAD) for Gross Premium Valuation method (ii). Non-Participating and Non-Unit reserves of Investment-linked Fund: Best estimates plus provision for adverse deviation (PAD).	Participating Fund: - Best estimates for Gross Premium Valuation method (i); - Best estimates plus provision for risk of adverse deviation (PRAD) for Gross Premium Valuation method (ii). Non-Participating and Non-Unit reserves of Investment-linked Fund: Best estimates plus provision for risk of adverse deviation (PRAD).

[1] Refer to Note 2.25 on Critical accounting estimates and judgements.

2. Summary of significant accounting policies *(continued)*

2.16 Insurance contracts *(continued)*

***Life insurance contract liabilities** (continued)*

Subsequent measurement of life insurance contract liabilities

Adjustments to liabilities at each reporting date are recorded in the income statements. Profits originating from the release in margins for adverse deviations are recognised in the income statements over the lives of the contracts, whereas losses are fully recognised in the income statements during the first year.

Derecognition of life insurance contract liabilities

The liability is extinguished when the contract expires, is discharged or is cancelled.

Benefits and claims

Insurance contract benefits reflect the cost of all maturities, surrenders, withdrawals and claims arising during the period, as well as policyholder dividends accrued in anticipation of dividend declarations. Accident and health claims incurred include all losses occurring during the period, whether reported or not, related handling costs, a reduction for recoveries, and any adjustments to claims outstanding from previous years.

Claims handling costs include internal and external costs incurred in connection with the negotiation and settlement of claims, and are included in operating expenses.

Insurance contracts and investment contracts with Discretionary Participating Features (DPF)

A significant portion of insurance contracts issued by subsidiaries within the Group contain discretionary participating features. These contracts are classified as participating policies. In addition to guaranteed benefits payable upon insured events associated with human life such as death or disability, the contracts entitle the policyholder to receive benefits, which could vary according to investment performance of the fund. The Group does not recognise the guaranteed components separately from the discretionary participating features.

Profits to shareholders from the participating fund are allocated from the surplus or surplus capital, determined from the results of the annual actuarial valuation parameters which are set out in the insurance regulations of the respective jurisdiction in which the insurance subsidiaries operate. The results of the annual actuarial valuation also determine the liabilities relating to all the policyholders' benefits of the participating fund. The provisions in the Articles of Association of the Group's insurance subsidiaries are applied in conjunction with the prescriptions in the respective insurance regulations, such that the distribution for any year to policyholders of the participating fund and shareholders approximate 90% and 10% respectively of total distribution from the participating fund. Any surplus that is not allocated is recognised as unallocated surplus. The unallocated surplus forms part of the life insurance contract liabilities. The annual declaration of the quantum of policyholder bonus and correspondingly the profits to shareholders to be distributed out of the participating fund is approved by the board of directors of each insurance subsidiary under the advice of the Appointed Actuary of the respective subsidiary, in accordance with the insurance regulations and the Articles of Association of the respective subsidiaries.

Liability adequacy test

Each insurance subsidiary within the Group is required by the respective insurance regulations and accounting standards to carry out a liability adequacy test using current estimates of future cash flows relating to its insurance contracts; the process is referred to as the gross premium valuation or bonus reserve valuation, depending on the jurisdiction in which the insurance subsidiary operates.

The liability adequacy test is applied to both the guaranteed benefits and the discretionary participating features; the assumptions are based on best estimates, the basis adopted is prescribed by the insurance regulations of the respective jurisdiction in which the insurance subsidiary operates. The Group performs liability adequacy tests on its actuarial reserves to ensure that the carrying amount of provisions is sufficient to cover estimated future cash flows. When performing the liability adequacy test, the Group discounts all contractual cash flows and compares this amount against the carrying amount of the liability. Any deficiency is charged to the income statement.

2. Summary of significant accounting policies *(continued)*

2.16 Insurance contracts *(continued)*

Non-life insurance contract liabilities
The Group caters to the protection needs of individuals and business owners through a wide range of general insurance products including but not limited to fire, motor, marine and aviation, workmen's compensation, personal accident, health, and other property and casualty lines.

Non-life insurance contract liabilities include claim liabilities and premium liabilities.

Claim liabilities
Claim liabilities are based on the estimated ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not, together with related claims handling costs and reduction for the expected value of salvage and other recoveries. Delays can be experienced in the notification and settlement of certain types of claims, therefore, the ultimate cost of these claims cannot be known with certainty at the reporting date. The liabilities are calculated at the reporting date using a range of standard actuarial claim projection techniques based on empirical data and current assumptions that may include a provision for adverse deviation. The liabilities are derecognised when the contracts expire, are discharged or are cancelled.

The valuation of non-life insurance claim liabilities at the reporting date is based on best estimates of the ultimate settlement cost of claims plus a provision for adverse deviation. The provision for adverse deviation is set at 75% level of sufficiency for Singapore, Malaysia and Indonesia. The valuation methods used include the Paid and Incurred Loss Development methods (also known as the Link Ratio methods), the Paid and Incurred Bornhuetter-Ferguson methods and the Expected Loss Ratio method. For Singapore and Malaysia, the claim liabilities are not discounted for the time value of money. However, for Indonesia, the claim liabilities are discounted for the time value of money as per pre-acquisition practice. No provision for equalisation or catastrophe reserves is recognised.

Premium liabilities
Premium liabilities are the provision of unearned premiums representing premiums received for risks that have not yet expired at the reporting date. The provision is recognised when contracts are entered into and premiums are charged. The provision is released over the coverage period of the contracts and is recognised as premium income.

In determining the unearned premium reserve at the reporting date, the method that most accurately reflects the actual unearned premium is used. For Singapore, the $1/24^{th}$ method for all classes of business is used, and for Malaysia and Indonesia, the 25% method is used for marine and aviation cargo, and transit business, and the $1/365^{th}$ method is used for all other classes of business.

Further provisions are made if expected future cash flows of unexpired insurance contracts with a provision for adverse deviation exceed the unearned premiums of these contracts.

Reinsurance contracts
The Group cedes insurance risk in the normal course of business for all of its businesses. Reinsurance assets represent amounts receivable in respect of ceded insurance liabilities. These amounts are estimated in a manner consistent with the reinsured insurance contract liabilities, the outstanding claims provision or settled claims associated with the reinsurer's policies and are in accordance with the related reinsurance contract. Reinsurance assets arising from ceding of an in-force book and gross onerous contracts are recognised in the same period when the gross liabilities are accrued.

Reinsurance assets are reviewed for impairment at each reporting date or more frequently when an indication of impairment arises during the financial year. Impairment occurs when there is objective evidence as a result of an event that occurred after initial recognition of the reinsurance asset that the Group may not receive part or all outstanding amounts under the terms of the contract. The impairment loss is recorded in the income statements. Gains or losses on reinsurance are recognised in the income statements immediately at the date of contract and are not amortised. Ceded reinsurance arrangements do not relieve the Group from its obligations to policyholders.

2. Summary of significant accounting policies *(continued)*

2.16 Insurance contracts *(continued)*

***Reinsurance contracts** (continued)*

The Group also assumes reinsurance risk in the normal course of business for life insurance and non-life insurance contracts where applicable. Premiums and claims on assumed reinsurance are recognised as revenue or expenses in the same manner as they would be if the reinsurance were considered direct business, taking into account the product classification of the reinsured business. Reinsurance liabilities represent balances due to reinsurance companies. Amounts payable are estimated in a manner consistent with the related reinsurance contract. Premiums and claims are presented on a gross basis for both ceded and assumed reinsurance. Reinsurance assets or liabilities are derecognised when the contractual rights are extinguished or expire or when the contract is transferred to another party.

2.17 Share capital and dividend

Ordinary shares, non-cumulative non-convertible preference shares and perpetual capital securities are classified as equity on the balance sheet.

Incremental costs directly attributable to the issue of new capital securities are shown in equity as a deduction from the proceeds.

Where share capital recognised as equity is repurchased (treasury shares), the amount of the consideration paid, including directly attributable costs, is presented as a deduction from equity. Treasury shares which are subsequently reissued, sold or cancelled, are recognised as changes in equity.

Interim dividends on ordinary shares and dividends on preference shares are recorded in the year in which they are declared payable by the Board of Directors. Final dividends are recorded in the year when the dividends are approved by shareholders at the annual general meeting.

2.18 Leases

2.18.1 As lessee

At the inception of a contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

Right-of-use assets
The Group recognises a right-of-use (ROU) asset and lease liability at the date which the underlying asset is available for use. ROU assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the ROU assets.

These ROU assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

ROU assets are presented within "Property, plant and equipment".

2. Summary of significant accounting policies *(continued)*

2.18 Leases *(continued)*

2.18.1 As lessee *(continued)*

Lease liabilities
The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease liability is subsequently measured at amortised cost using the effective interest method. Lease liability shall be remeasured when there is modification in the scope or the consideration of the lease that was not part of the original term.

Short-term leases and low-value assets
The Group has elected to not recognise ROU assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low-value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

2.18.2 As lessor

Rental income on tenanted areas of the buildings owned by the Group is recognised in the income statement on a straight line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

2.19 Recognition of income and expense

2.19.1 Interest income and expense

Interest income or expense is recognised using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or amortised cost of the financial liability.

In calculating the interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

2. Summary of significant accounting policies *(continued)*

2.19 Recognition of income and expense *(continued)*

2.19.2 Premiums and commissions from insurance business

Life insurance business
First year premiums of insurance policies are recognised from inception date and subsequent renewal premiums are recognised when due. Single premiums are recognised on the dates on which the policies are effective. Premiums from the investment-linked business, universal life and certain Takaful non-participating products are recognised as revenue when payment is received. Commission is recognised as an expense when incurred.

Non-life insurance business
Premiums from the non-life insurance business are recognised as revenue upon commencement of insurance cover. Premiums pertaining to periods after the reporting date are adjusted through the movement in premium liabilities. Commission is recognised as an expense when incurred, typically upon the risk underwritten as reflected in the premium recognised.

Premiums ceded out and the corresponding commission income from non-life insurance contracts are recognised in the income statement upon receipt of acceptance confirmation from the ceding company or in accordance with provisions incorporated in the treaty contracts. Premiums ceded out pertaining to periods after the reporting date are adjusted through the movement in unexpired risk reserve.

2.19.3 Fees and commissions

The Group earns fees and commissions from a range of services rendered to its customers. Fees and commissions are recognised when the Group has satisfied its performance obligations in providing the services to the customer. Transaction based fees and commissions are generally recognised upon the completion of a transaction. For services provided over a period of time or credit risk undertaken, fees and commissions are amortised over the relevant period.

Expenses are offset against gross fees and commissions in the income statement only when they are directly related.

2.19.4 Dividends

Dividends from equity securities, subsidiaries and associates are recognised when the right to receive payment is established.

2.19.5 Employee benefits

The Group's compensation package for staff consists of base salaries, allowances, defined contribution plans such as the Central Provident Fund, defined benefit plans, commissions, cash bonuses, and share-based compensation plans. These are recognised in the income statement when incurred. Employee leave entitlements are estimated according to the terms of employment contract and accrued on the reporting date.

For defined benefit plans, the liability recognised in the balance sheet is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, adjusted for unrecognised actuarial gains or losses and past service costs. Remeasurements of defined benefit plans are recognised in OCI in the period in which they arise.

Share-based compensation plans include the Bank's Share Option Schemes, the Employee Share Purchase Plan (ESP Plan) and the Deferred Share Plan (DSP). Equity instruments granted are recognised as expense in the income statement based on the fair value of the equity instrument at the date of the grant. The expense is recognised over the vesting period of the grant, with corresponding entries to equity.

2. Summary of significant accounting policies *(continued)*

2.19 Recognition of income and expense *(continued)*

2.19.5 Employee benefits *(continued)*

At each reporting date, the Group revises its estimates of the number of equity instruments expected to be vested, and the impact of the change to the original estimates, if any, is recognised in the income statement, with a corresponding adjustment to equity over the remaining vesting period.

The Group accrues for interest on the monthly contributions made by employees to the savings-based ESP Plan. For the DSP, a trust is set up to administer the shares. The DSP Trust is consolidated in the Group's financial statements.

Proceeds received upon the exercise of options and acquisition rights, net of any directly attributable transaction costs, are credited to share capital.

2.20 Income tax expense

Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for tax computation. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that does not affect accounting or taxable profit, and differences relating to investments in subsidiaries, associates and joint ventures to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available for utilisation against the temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

2.21 Fiduciary activities

The Group acts as trustees and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. The assets and income from these assets do not belong to the Group, and are therefore excluded from these financial statements.

2. Summary of significant accounting policies *(continued)*

2.22 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted-average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

2.23 Segment reporting

The Group's business segments represent the key customer and product groups, as follows: Global Consumer/Private Banking, Global Wholesale Banking, Global Treasury and Markets and Insurance. All operating segments' results are reviewed regularly by the senior management to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. In determining the segment results, balance sheet items are internally transfer priced and revenues and expenses are attributed to each segment based on internal management reporting policies. Transactions between business segments are recorded within the segment as if they are third party transactions and are eliminated on consolidation.

A geographical segment engages in providing products and services within a particular economic environment that is subject to different risks from those of other economic environments. Geographical segment information is prepared based on the country in which the transactions are booked and presented after elimination of intra-group transactions and balances.

2.24 Government grants

Government grants related to assets are initially recognised by deducting the grant in arriving at the carrying amount of the asset if there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. The grant is recognised in profit or loss over the life of a depreciable asset through reduced depreciation expense.

Grants that compensate the Group for expenses incurred are recognised in profit or loss by deducting the grant from the related expense.

Grants that are not related to assets or expenses incurred are recognised in profit or loss as other income.

2.25 Critical accounting estimates and judgements

Certain estimates are made in the preparation of the financial statements. These often require management judgement in determining the appropriate methodology for valuation of assets and liabilities. A brief description of the Group's critical accounting estimates is set out below.

2.25.1 Impairment of financial assets

In determining whether the credit risk of the Group's financial exposures has increased significantly since initial recognition, the Group considers quantitative and qualitative information such as the Group's historical credit assessment experience and available forward-looking information. Expected credit losses (ECL) estimates are based on probability-weighted forward-looking economic scenarios. The parameters used in ECL measurement (probability of default, loss given default and exposure at default) incorporates forward-looking information. The determination of the forward-looking economic scenarios and incorporation of forward-looking information into ECL measurement requires management to exercise judgement based on its assessment of current macroeconomic conditions.

2. Summary of significant accounting policies *(continued)*

2.25 Critical accounting estimates and judgements *(continued)*

2.25.1 Impairment of financial assets *(continued)*

Allowances for non-credit-impaired loans to customers
As of 31 December 2021, the forward-looking scenarios used in the ECL model have been updated from those as of 31 December 2020. They reflect the latest available macroeconomic view which shows a gradual recovery. However, additional post-model adjustments have been made during the year to reflect the risks arising from certain segments of the portfolio that continue to be affected by the current COVID-19 situation as well as the continued macroeconomic uncertainty. These post-model adjustments were reviewed and approved in accordance with the Group's ECL framework.

A key element in determining ECL is the assessment of whether a significant increase in credit risk (SICR) has occurred and hence whether a lifetime, rather than 12-month, ECL is required. In 2021, the Group continued to offer various loan reliefs, such as payment holidays and moratoriums, to customers as part of a broader set of COVID-19 support measures. Such loan reliefs, payment holidays and moratoriums have the effect of delaying customer defaults even though customers who took up such relief packages may be of higher risk. Therefore, where appropriate, post-model adjustments were made to reflect higher risk of default of such customers.

While the latest macroeconomic forecasts have shown signs of recovery for the overall economy, they cannot adequately reflect the continued weaknesses of certain industries and segments due to either travel restrictions or geopolitical events. Therefore, post-model adjustments were also made to more accurately reflect the credit risk for such sectors that are not captured by the macroeconomic forecasts.

As indicated in Note 2.12.3, Stages 1 and 2 ECL are modelled based on a central baseline forecast with its upper and lower bound to represent forecasting ranges. However, the central forecast with its upper/lower range may not factor in significant emerging risks and macroeconomic events that are expected but uncertain in terms of impact and timing. Such events have the potential to trigger a recession but are not adequately captured in existing forecasts. Therefore, the Group added an additional scenario in the computation of ECL. As such events are global in nature, these are modelled as a top-down post-model adjustment.

The Group's allowances for financial assets are disclosed in Note 30.

Allowances for credit-impaired loans to customers
In respect of credit-impaired exposures, management judgement and estimation are applied in, amongst others, identifying impaired exposures, estimating the related recoverable cash flows and where applicable, determining collateral values and timing of realisation. Judgements and assumptions in respect of these matters have been updated to reflect the potential impact of COVID-19.

The Group's allowances for credit-impaired loans to customers are disclosed in Note 28.

2. Summary of significant accounting policies *(continued)*

2.25 Critical accounting estimates and judgements *(continued)*

2.25.2 Fair value estimation

Fair value is derived from quoted market prices or valuation techniques which maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The fair values of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) are determined by using valuation techniques. Where unobservable data inputs have a significant impact on the value obtained from the valuation model, such a financial instrument is initially recognised at the transaction price, which is the best indicator of fair value. The difference between the transaction price and the model value, commonly referred to as "day one profit or loss" is not recognised immediately in the income statement.

The timing of recognition of deferred day one profit or loss is determined individually. It is amortised over the life of the transaction, released when the instrument's fair value can be determined using market observable inputs, or when the transaction is derecognised.

2.25.3 Liabilities of insurance business

The estimation of the ultimate liabilities arising from claims made under life and non-life insurance contracts is one of the Group's critical accounting estimates. There are several sources of uncertainty that need to be considered in the estimation of the liabilities that the Group will ultimately be required to pay as claims.

For life insurance contracts, estimates are made for future deaths, morbidity, disabilities, lapses, voluntary terminations, investment returns, administration expenses and discount rates. The Group relies on standard industry and national mortality and morbidity tables which represent historical experience, and makes appropriate adjustments for its respective risk exposures and portfolio experience in deriving the mortality and morbidity estimates. These estimates provide the basis for the valuation of the future benefits to be paid to policyholders, and to ensure adequate provisions which are monitored against current and future premiums. For those contracts that insure risk on longevity and disability, estimates are made based on recent past experience and emerging trends. Epidemics and changing patterns of lifestyle could result in significant changes to the expected future exposures. Each year, these estimates are assessed for adequacy and changes will be reflected as adjustments to insurance contract liabilities.

For non-life insurance contracts, estimates have to be made for both the expected ultimate cost of claims reported at the reporting date and for the expected ultimate cost of claims incurred but not yet reported at the reporting date (IBNR).

It can take a significant time before the ultimate claims costs can be established with certainty and for some type of policies, IBNR claims form the majority of the insurance subsidiaries' balance sheet liability. The ultimate cost of outstanding claims is estimated using a range of standard actuarial claims projection techniques such as Chain Ladder and Bornhuetter-Ferguson methods.

2. Summary of significant accounting policies *(continued)*

2.25 Critical accounting estimates and judgements *(continued)*

2.25.3 Liabilities of insurance business *(continued)*

The main assumption underlying these techniques is that a company's past development experience can be used to project future claims development and hence, ultimate claim costs. As such, these methods extrapolate the development of paid and incurred losses, average costs per claim and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analysed by accident years but can also be further analysed by significant business lines and claims type. Large claims are usually separately addressed, either by being reserved at the face of loss adjustor estimates or separately projected in order to reflect their future development. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Additional qualitative judgement is used to assess the extent to which past trends may not apply in future (for example, to reflect one-off occurrences, changes in external or market factors, economic conditions as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the likely outcome from the range of possible outcomes, taking account of all uncertainties involved.

2.25.4 Impairment of goodwill and other intangible assets

The Group performs an annual review of the carrying amount of its goodwill and other intangible assets, against the recoverable amounts of the CGU to which the goodwill and other intangible assets have been allocated. Recoverable amounts of banking CGUs are determined based on the present value of estimated future cash flows expected to arise from the respective CGUs' continuing operations. The recoverable amount of insurance CGU is determined using the appraisal value method. Management exercises its judgement in estimating the future cash flows, growth rates and discount rates used in computing the recoverable amounts of the CGUs.

In light of current macroeconomic conditions, management reassessed the assumptions applied in estimating the future cash flows, including growth rates and discount rates used in computing the recoverable amount, and determined that no impairment should be recognised during the year.

2.25.5 Income taxes

The Group is subject to income taxes in several jurisdictions. Significant judgement is required in determining the capital allowances and deductibility of certain expenses in estimating the income tax liabilities. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax balances in the period in which the determination is made.

2.25.6 Insurance contract classification

Contracts are classified as insurance contracts where significant insurance risk is transferred from the policyholder to the Group. The Group exercises judgement about the level of insurance risk transferred. The level of insurance risk is assessed by considering whether upon the occurrence of the insured event, the Group is required to pay significant additional benefits. These additional benefits include claims liability and assessment costs, but exclude the loss of the ability to charge the policyholder for future services. The assessment covers the whole of the expected term of the contract where such additional benefits could be payable. Some contracts contain options for the policyholder to purchase insurance risk protection at a later date; these insurance risks are deemed not significant.

3. Net interest income

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
Interest income				
Loans to customers	**5,786**	6,992	**3,103**	3,791
Placements with and loans to banks	**448**	839	**318**	695
Other interest-earning assets	**1,191**	1,312	**498**	584
	7,425	9,143	**3,919**	5,070
Interest expense				
Deposits of non-bank customers	**(1,300)**	(2,699)	**(468)**	(1,266)
Deposits and balances of banks	**(68)**	(92)	**(66)**	(225)
Other borrowings	**(202)**	(386)	**(174)**	(330)
	(1,570)	(3,177)	**(708)**	(1,821)
Analysed by classification of financial instruments				
Income – Assets at amortised cost	**5,963**	7,471	**3,249**	4,235
Income – Assets at FVOCI	**1,173**	1,310	**455**	566
Income – Assets mandatorily measured at FVTPL	**289**	362	**215**	269
Expense – Liabilities not at fair value through profit or loss	**(1,565)**	(3,169)	**(703)**	(1,814)
Expense – Liabilities mandatorily measured at FVTPL	**(5)**	(8)	**(5)**	(7)
Net interest income	**5,855**	5,966	**3,211**	3,249

Included in interest income were interest of $31 million (2020: $42 million) and $15 million (2020: $30 million) on impaired assets for the Group and Bank respectively.

The Group's and Bank's interest expenses on lease liabilities were not significant for the financial years ended 31 December 2021 and 31 December 2020.

4. Profit from life insurance

	GROUP	
	2021 $ million	2020 $ million
Income		
Annual	**8,209**	7,780
Single	**10,380**	7,371
Gross premiums	**18,589**	15,151
Reinsurance	**(602)**	(559)
Premium income (net)	**17,987**	14,592
Investment income (net) [1]	**1,519**	6,298
Total income	**19,506**	20,890
Expenses		
Gross claims, surrenders and annuities	**(11,215)**	(10,170)
Claims, surrenders and annuities recovered from reinsurers	**443**	596
Net claims, surrenders and annuities	**(10,772)**	(9,574)
Net change in life insurance contract liabilities	**(4,196)**	(9,009)
Commission and agency expenses	**(1,401)**	(1,209)
Depreciation – property, plant and equipment (Note 34)	**(71)**	(70)
Other expenses	**(1,845)**	(341)
Total expenses	**(18,285)**	(20,203)
Surplus from operations	**1,221**	687
Share of results of associates	**–**	#
Income tax (expense)/credit	**(84)**	11
Profit from life insurance	**1,137**	698

[1] Includes income from financial instruments measured at fair value through profit or loss of $1.05 billion (2020: $5.66 billion).

Profit from life insurance is presented net of tax in the income statement as the tax liability is borne by the respective life funds.

5. Fees and commissions (net)

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
Gross fee and commission income				
Brokerage	**141**	140	**2**	1
Credit card	**287**	274	**246**	230
Fund management	**133**	122	**–**	–
Guarantees	**14**	14	**7**	6
Investment banking	**106**	87	**89**	75
Loan-related	**179**	165	**116**	106
Service charges	**79**	84	**60**	58
Trade-related and remittances	**286**	252	**199**	178
Wealth management [1]	**1,310**	1,130	**406**	294
Others	**46**	45	**6**	8
	2,581	2,313	**1,131**	956
Fee and commission expense	**(336)**	(310)	**(162)**	(141)
Fees and commissions (net)	**2,245**	2,003	**969**	815

[1] Includes trust and custodian fees.

6. Dividends

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
Subsidiaries	**–**	–	**861**	1,321
Associates	–	–	**130**	121
FVTPL securities	**75**	44	**57**	25
FVOCI securities	**38**	34	**1**	1
	113	78	**1,049**	1,468

7. Net trading income

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
Foreign exchange [1]	**389**	585	**52**	278
Hedging activities [2]				
Hedging instruments	**(145)**	133	**(232)**	183
Hedged items	**145**	(133)	**231**	(182)
Net (loss)/gain from fair value hedge ineffectiveness	**(#)**	#	**(1)**	1
Net gain/(loss) from interest rate and other derivative financial instruments [3]	**341**	(41)	**202**	(20)
Net gain from non-derivative financial instruments [4]	**45**	318	**8**	46
Others	**(12)**	1	**(12)**	#
	763	863	**249**	305

(1) "Foreign exchange" include gains and losses from spot and forward contracts and translation of foreign currency denominated assets and liabilities.

(2) "Hedging activities" arise from the use of derivatives to hedge exposures to interest rate and foreign exchange risks, which are inherent in the underlying "Hedged items".

(3) "Interest rate and other derivatives" include gains and losses from interest rate derivative instruments, equity options and other derivative instruments.

(4) "Non-derivative financial instruments" include trading gains and losses from fair value financial instruments which are either designated at initial recognition or mandatorily measured at FVTPL.

8. Other income

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
Disposal of investment securities	**92**	208	**34**	73
Disposal of a subsidiary	**–**	9	**–**	–
Disposal of plant and equipment	**(1)**	(1)	**(1)**	(#)
Disposal of properties	**108**	45	**29**	8
Rental and property-related income	**66**	63	**33**	39
Others	**21**	6	**48**	38
	286	330	**143**	158

9. Staff costs and other operating expenses

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
9.1 Staff costs [1]				
Salaries and other costs	**2,723**	2,457	**974**	849
Share-based expenses	**72**	75	**26**	26
Contribution to defined contribution plans	**223**	199	**85**	79
	3,018	2,731	**1,085**	954
Directors' emoluments:				
Remuneration of Bank's directors	**4**	11	**4**	11
Fees of Bank's directors [2]	**6**	6	**4**	4
	10	17	**8**	15
Total staff costs	**3,028**	2,748	**1,093**	969
9.2 Other operating expenses				
Property and equipment: [3]				
Depreciation	**412**	419	**190**	184
Maintenance and rental [4]	**152**	150	**97**	97
Others [5]	**304**	293	**178**	143
	868	862	**465**	424
Auditors' remuneration:				
Payable to auditor of the Bank	**6**	6	**3**	2
Payable to associated firms of auditor of the Bank	**4**	3	**#**	#
Payable to other auditors	**#**	#	**#**	#
	10	9	**3**	2
Other fees:				
Payable to auditor of the Bank [6]	**2**	2	**#**	1
Payable to associated firms of auditor of the Bank	**1**	1	**1**	1
	3	3	**1**	2
Hub processing charges	**–**	–	**287**	251
General insurance claims	**98**	101	**–**	–
Others [7]	**757**	716	**375**	339
	855	817	**662**	590
Total other operating expenses	**1,736**	1,691	**1,131**	1,018
9.3 Staff costs and other operating expenses	**4,764**	4,439	**2,224**	1,987

(1) Grants provided by governments to provide wage support to employers due to the COVID-19 pandemic are recognised as a reduction in staff costs.

(2) Includes remuneration shares amounting to $1 million (2020: $1 million) issued to directors.

(3) Direct operating expenses on investment property that generated rental income for the Group and the Bank amounted to $18 million and $6 million (2020: $13 million and $3 million) respectively. Direct operating expenses on investment property that did not generate rental income for the Group and the Bank amounted to $3 million and $2 million (2020: $1 million and $# million) respectively.

(4) Includes expenses relating to short-term leases of $11 million and $5 million for the Group and the Bank (2020: $14 million and $5 million) respectively, and low-value assets of $5 million and $1 million (2020: $5 million and $1 million) for the Group and the Bank respectively.

(5) Property tax rebates received from government are recognised as a reduction in property and equipment expense.

(6) Other fees payable to auditor of the Bank relate mainly to engagements in connection with the Bank's note issuances, taxation compliance and advisory services, miscellaneous attestations and audit certifications.

(7) Included in other expenses were printing, stationery, communication, advertisement and promotion expenses and legal and professional fees.

10. Allowances for loans and other assets

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
Allowances:				
Impaired loans (Note 28)	**852**	1,149	**354**	877
Impaired other assets	**3**	30	**3**	11
Non-impaired loans	**15**	860	**81**	604
Non-impaired other assets	**3**	4	**4**	1
Allowances for loans and other assets	**873**	2,043	**442**	1,493

11. Income tax expense

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
Current tax expense	**883**	687	**386**	250
Deferred tax credit (Note 20)	**(173)**	(46)	**(106)**	(37)
	710	641	**280**	213
Over provision in prior years	**(62)**	(204)	**(51)**	(44)
Charge to income statements	**648**	437	**229**	169

The tax on operating profit differs from the amount that would arise using the Singapore corporate tax rate as follows:

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
Operating profit after allowances and amortisation	**4,856**	3,553	**2,955**	2,515
Prima facie tax calculated at tax rate of 17%	**826**	604	**502**	428
Effect of:				
Different tax rates in other countries	**103**	100	**22**	26
Income not subject to tax	**(35)**	(45)	**(176)**	(261)
Income taxed at concessionary rates	**(94)**	(25)	**(80)**	(13)
Singapore life insurance funds	**(89)**	(21)	**–**	–
Non-deductible expenses and losses	**(19)**	37	**(8)**	14
Others	**18**	(9)	**20**	19
	710	641	**280**	213
The deferred tax credit comprised:				
Accelerated tax depreciation	7	5	7	2
Depreciable assets acquired in business combinations	**(11)**	(10)	**(2)**	(1)
Tax losses	**1**	(1)	**–**	(1)
Unrealised losses on financial assets	**(18)**	(2)	**(7)**	(11)
Allowances for assets	**(146)**	(64)	**(101)**	(18)
Other temporary differences	**(6)**	26	**(3)**	(8)
	(173)	(46)	**(106)**	(37)

12. Earnings per share

	GROUP	
	2021 $ million	2020 $ million
Profit attributable to equity holders of the Bank	**4,858**	3,586
Perpetual capital securities distributions declared in respect of the period	**(46)**	(53)
Profit attributable to ordinary equity holders of the Bank after other equity distributions	**4,812**	3,533
Weighted average number of ordinary shares (million)		
For basic earnings per share	**4,489**	4,420
Adjustment for assumed conversion of share options and acquisition rights	**5**	1
For diluted earnings per share	**4,494**	4,421
Earnings per share ($)		
Basic	**1.07**	0.80
Diluted	**1.07**	0.80

12. Earnings per share *(continued)*

Basic earnings per share is calculated by dividing profit attributable to ordinary equity holders of the Bank net of preference dividends and perpetual capital securities distributions by the weighted average number of ordinary shares in issue during the financial year.

For the purpose of calculating the diluted earnings per ordinary share, the weighted average number of ordinary shares in issue is adjusted to take into account the dilutive effect arising from share options and acquisition rights, with the potential ordinary shares weighted for the period outstanding.

13. Share capital

13.1 Share capital

GROUP AND BANK	2021	2020
	Shares (million)	Shares (million)
Ordinary shares		
At 1 January	4,476	4,409
Shares issued in lieu of ordinary dividends	32	67
Shares issued to non-executive directors	#	#
Deferred Share Plan	7	–
Share Option Scheme	#	–
At 31 December	4,515	4,476
Treasury shares		
At 1 January	(2)	(8)
Share buyback	(34)	(7)
Share Option Scheme	7	2
Share Purchase Plan	6	#
Treasury shares transferred to DSP Trust	–	11
At 31 December	(23)	(2)

	2021	2020
	$ million	$ million
GROUP AND BANK		
Issued share capital, at 31 December	18,040	17,833

(1) # represents less than 500,000 shares.

The holders of ordinary shares (excluding treasury shares) are entitled to receive dividends as declared from time to time and to one vote per share at meetings of the Bank. All shares (excluding treasury shares) rank equally with regard to the Bank's residual assets.

The issued ordinary shares have no par value and qualify as Common Equity Tier 1 capital for the Group.

All issued shares were fully paid.

Subsidiaries and associates of the Group did not hold shares in the capital of the Bank as at 31 December 2021 and 31 December 2020.

13.2 Share option scheme

Executives of the Group ranked Manager and above and non-executive directors of the Group are eligible to participate in the OCBC Share Option Scheme 2001 (2001 Scheme). The Bank has ceased granting share options under the 2001 Scheme effective from financial year 2018 remuneration. Share options granted in prior years continue to be outstanding until the options lapse or are exercised by the recipients. Options granted to Group executives are exercisable for up to 10 years, while options granted to non-executive Directors are exercisable for up to five years.

For the financial years ended 31 December 2021 and 31 December 2020, there was no options granted under the 2001 Scheme.

13. Share capital *(continued)*

13.2 Share option scheme *(continued)*

Movements in the number of shares under options and the average acquisition prices are as follows:

	2021		2020	
	Number of shares under options ('000)	Average price	Number of shares under options ('000)	Average price
At 1 January	**32,914**	**$10.239**	35,154	$10.183
Exercised	**(7,364)**	**$9.367**	(1,786)	$8.800
Forfeited/lapsed	**(439)**	**$12.753**	(454)	$11.621
At 31 December	**25,111**	**$10.450**	32,914	$10.239
Exercisable options at 31 December	**25,111**	**$10.450**	30,789	$10.025
Average share price underlying the options exercised		**$11.841**		$9.936

At 31 December 2021, the weighted average remaining contractual life of outstanding share options was 4.2 years (2020: 4.9 years). The aggregate number of shares under outstanding options held by an executive director of the Bank was nil (2020: 4,596,480).

13.3 Employee share purchase plan

The OCBC Employee Share Purchase Plan (ESP Plan) was implemented for all employees of the participating companies in the Group, including executive Directors.

The ESP Plan is a saving-based share ownership plan to help employees own ordinary shares in the Bank through their monthly contributions via deductions from payroll and/or from Central Provident Fund. The employees have the option to convert the contributions to ordinary shares after one year or to withdraw the contributions at any time. As a further incentive to employees to enrol in the ESP Plan, the Bank pays interest on the amounts saved at a preferential interest rate. The duration of the offering period is 24 months.

In July 2021, the Bank launched its sixteenth offering of ESP Plan for Group employees, which commenced on 1 September 2021 and will expire on 31 August 2023. Under the offering, the Bank granted rights to acquire 8,469,427 (2020: 12,688,439) ordinary shares in the Bank, including rights granted to an executive director of the Bank to acquire nil (2020: 4,008) ordinary shares in the Bank. The fair value of rights, determined using the binomial valuation model, was $10.8 million (2020: $13.7 million). Significant inputs to the valuation model are set out below:

	2021	2020
Acquisition price ($)	**11.58**	8.98
Share price ($)	**12.42**	9.24
Expected volatility based on last 250 days historical volatility as of acceptance date (%)	**17.11**	24.62
Risk-free rate based on 2-year swap rate (%)	**0.35**	0.31
Expected dividend yield (%)	**4.00**	5.19

Movements in the number of acquisition rights of the ESP Plan are as follows:

	2021		2020	
	Number of acquisition rights ('000)	Average price	Number of acquisition rights ('000)	Average price
At 1 January	**18,090**	**$9.761**	14,325	$11.439
Exercised and conversion upon expiry	**(6,467)**	**$10.982**	(11)	$11.552
Forfeited	**(2,242)**	**$10.039**	(8,912)	$11.344
Subscription	**8,469**	**$11.580**	12,688	$8.980
At 31 December	**17,850**	**$10.147**	18,090	$9.761
Average share price underlying acquisition rights exercised/converted		**$12.041**		$9.571

13. Share capital *(continued)*

13.3 Employee share purchase plan *(continued)*

At 31 December 2021, the weighted average remaining contractual life of outstanding acquisition rights was 1.0 years (2020: 1.2 years). There was nil (2020: 7,188) rights held by an executive director of the Bank.

13.4 Deferred share plan

The OCBC Deferred Share Plan (DSP) aims to increase the performance-orientation and retention factor in compensation packages of executives, and foster an ownership culture within the organisation. It also aligns the interests of executives with the sustained business performance of the Bank. Group executives holding the rank or equivalent rank of Assistant Manager and above, and any Group Executive Director selected by the Remuneration Committee, are eligible to participate in the DSP.

Half (50%) of the share awards will vest after two years with the remaining 50% vesting at the end of three years in accordance with the guidelines established under the DSP. Prior to the vesting date, the executives will not be accorded voting rights for the shares.

The Bank adopted the OCBC Deferred Share Plan 2021 (DSP 2021) on 29 April 2021 to replace the DSP, which was terminated on the same day. The termination of the DSP does not affect the awards which have been granted, whether such awards have been released (whether fully or partially) or not. By implementing the DSP 2021, which permits new ordinary shares to be issued, the Bank has greater flexibility in its methods for delivery of ordinary shares, as this can be effected through an issue of new ordinary shares, in addition to the transfer of existing ordinary shares (including treasury shares).

During the year, 7,188,161 (2020: 5,595,172) deferred shares were released to employees under the DSP, of which nil (2020: 225,961) deferred shares were released to an executive director of the Bank who held office as at the end of the financial year. At 31 December 2021, an executive director of the Bank had deemed interest in nil (2020: 912,015) deferred shares.

Total awards of 7,763,260 (2020: 11,016,332) ordinary shares, which included nil (2020: 409,894) ordinary shares to an executive director of the Bank, were granted and accepted by eligible executives under the DSP 2021 for the financial year ended 31 December 2021. The fair value of the shares at grant date was $94.2 million (2020: $95.1 million).

The accounting treatment of share-based compensation plan is set out in Note 2.19.5.

14. Other equity instruments

	Note	GROUP AND BANK	
		2021	2020
		$ million	$ million
SGD1,000 million 4.0% non-cumulative non-convertible perpetual capital securities (4.0% Capital Securities)	(a)	**998**	998
SGD200 million 3.0% non-cumulative non-convertible perpetual capital securities (3.0% Capital Securities)	(b)	**200**	200
		1,198	1,198

14. Other equity instruments *(continued)*

(a) The 4.0% Capital Securities issued by the Bank on 24 August 2018 are non-cumulative non-convertible perpetual capital securities. They qualify as Additional Tier 1 capital of the Bank under the requirements of MAS.

The 4.0% Capital Securities may, subject to MAS approval, be redeemed at the option of the Bank: (i) on 24 August 2023 (the First Reset Date) or any distribution payment date falling after the First Reset Date; (ii) upon the occurrence of a tax event; or (iii) if the 4.0% Capital Securities would no longer qualify as eligible capital. The terms of the 4.0% Capital Securities may also be varied, subject to MAS approval, so that the 4.0% Capital Securities remain as Additional Tier 1 capital of the Bank. If the Bank is determined by the MAS to be non-viable, the 4.0% Capital Securities will be written off in whole or in part.

The 4.0% Capital Securities pay distributions to holders semi-annually in arrear in February and August at a fixed rate of 4.0% per annum from the issue date to the First Reset Date. If the 4.0% Capital Securities are not redeemed on the First Reset Date, the distribution rate will be reset on the First Reset Date and each date falling every five years thereafter to a fixed rate per annum equal to the aggregate of the then-prevailing five-year SGD Swap Offer Rate and the initial spread of 1.811%. Distributions may be cancelled by the Bank at its sole discretion, subject to the provisions of the 4.0% Capital Securities. The Bank is also not obliged to pay distributions to holders under certain circumstances. Any distributions which are not paid, in accordance with the terms and conditions of the 4.0% Capital Securities, are non-cumulative and will not compound.

(b) The 3.0% Capital Securities issued by the Bank on 30 September 2020 are non-cumulative non-convertible perpetual capital securities. They qualify as Additional Tier 1 capital of the Bank under the requirements of MAS.

The 3.0% Capital Securities may, subject to MAS approval, be redeemed at the option of the Bank on or after 30 September 2030 (First Reset Date), and each date falling every 10 years after the First Reset Date. The terms include a non-viability loss-absorbing feature. Under this feature, OCBC must write off the securities when: (1) the MAS notifies the Bank in writing that it is of the opinion that a write-off is necessary, without which the Bank would become non-viable; or (2) a decision by the MAS to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable, as determined by the MAS. The Bank will, in consultation with or as directed by MAS, determine the amount to be written off in order for the non-viability event to cease to continue. In addition to the first call in 2030, the 3.0% Capital Securities may also be redeemed if a qualifying tax event or a change of qualification event occurs.

The 3.0% Capital Securities bear a fixed distribution rate of 3.0% per annum from the issue date to the First Reset Date and will be reset every 10 years thereafter to a fixed rate equal to the then-prevailing 10-year SGD Swap Offer Rate plus 2.19%. The non-cumulative distributions may only be paid out of distributable reserves semi-annually in March and September, unless cancelled by the Bank at its option. The 3.0% Capital Securities constitute unsecured and subordinated obligations, ranking senior only to shareholders of the Bank.

15. Capital reserves

	GROUP		BANK	
	2021	**2020**	**2021**	**2020**
	$ million	**$ million**	**$ million**	**$ million**
At 1 January	**1,229**	1,253	**994**	986
Share-based payments for staff costs	**9**	11	**9**	11
Shares transferred to DSP Trust	**(93)**	(99)	**–**	–
Shares vested under DSP Scheme	**73**	62	**–**	–
Transfer from unappropriated profit (Note 16.1)	**(423)**	5	**(431)**	–
Transfer to share capital	**(13)**	(3)	**(13)**	(3)
At 31 December	**782**	1,229	**559**	994

Capital reserves include regulatory loss allowance reserve and statutory reserves set aside by the Group's banking and stockbroking entities in accordance with the respective laws and regulations. Capital reserves also include the Bank's employee share schemes' reserves and deferred shares held by DSP Trust.

16. Revenue reserves

	Note	GROUP 2021 $ million	GROUP 2020 $ million	BANK 2021 $ million	BANK 2020 $ million
Unappropriated profit	16.1	**30,785**	27,321	**14,535**	13,235
General reserves	16.2	**1,349**	1,345	**1,400**	1,396
Cash flow hedge reserves	16.3	**(1)**	(#)	**(7)**	#
Currency translation reserves	16.4	**(336)**	(658)	**(101)**	(67)
Own credit reserves		**(2)**	(4)	**(2)**	(4)
At 31 December		**31,795**	28,004	**15,825**	14,560

16.1 Unappropriated profit

	GROUP 2021 $ million	GROUP 2020 $ million	BANK 2021 $ million	BANK 2020 $ million
Profit attributable to equity holders of the Bank	**4,858**	3,586	**2,726**	2,346
Add:				
Unappropriated profit at 1 January	**27,321**	25,775	**13,235**	12,879
Total amount available for appropriation	**32,179**	29,361	**15,961**	15,225
Appropriated as follows:				
Ordinary dividends:				
Final tax-exempt dividend of 15.9 cents paid for the previous financial year (2020: tax-exempt dividend of 28 cents)	**(712)**	(1,233)	**(712)**	(1,233)
Interim tax-exempt dividend of 25 cents paid for the current financial year (2020: tax-exempt dividend of 15.9 cents)	**(1,128)**	(701)	**(1,128)**	(701)
Distributions for other equity instruments:				
3.8% perpetual capital securities	**–**	(19)	**–**	(19)
4.0% perpetual capital securities	**(40)**	(40)	**(40)**	(40)
3.0% perpetual capital securities	**(6)**	–	**(6)**	–
Transfer (to)/from:				
Capital reserves (Note 15)	**423**	(5)	**431**	–
Fair value reserves	**64**	(41)	**23**	4
General reserves (Note 16.2)	**6**	–	**6**	–
Others	**(1)**	(1)	**–**	(1)
	(1,394)	(2,040)	**(1,426)**	(1,990)
At 31 December	**30,785**	27,321	**14,535**	13,235

At the annual general meeting to be held, a final tax-exempt dividend of 28 cents per ordinary share in respect of the financial year ended 31 December 2021, totalling $1,258 million, will be proposed. The dividends will be accounted for as a distribution in the 2022 financial statements.

16. Revenue reserves *(continued)*

16.2 General reserves

	GROUP		BANK	
	2021	2020	2021	2020
	$ million	$ million	$ million	$ million
At 1 January	**1,345**	1,335	**1,396**	1,386
DSP reserve from dividends on unvested shares	**10**	10	**10**	10
Transfer to unappropriated profit (Note 16.1)	**(6)**	–	**(6)**	–
At 31 December	**1,349**	1,345	**1,400**	1,396

The general reserves have not been earmarked for any specific purpose, and include merger reserves arising from common control transactions, as well as dividends on unvested shares under the DSP.

16.3 Cash flow hedge reserves

The cash flow hedge reserves comprise the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition of the hedged cash flow. The cash flow hedges principally consist of interest rate contracts that are used to hedge against the variability in cash flows of certain floating rate liabilities.

16.4 Currency translation reserves

	GROUP		BANK	
	2021	2020	2021	2020
	$ million	$ million	$ million	$ million
At 1 January	**(658)**	(873)	**(67)**	(117)
Movements for the year	**389**	90	**(33)**	45
Effective portion of hedge	**(67)**	125	**(1)**	5
At 31 December	**(336)**	(658)	**(101)**	(67)

Currency translation reserves comprise differences arising from the translation of the net assets of foreign operations and the effective portion of the hedge on exposure in foreign operations.

Refer to Note 38.3 Currency risk – Structural foreign exchange risk for management of structural foreign exchange risk.

17. Deposits and balances of non-bank customers and banks

	GROUP		BANK	
	2021	2020	2021	2020
	$ million	$ million	$ million	$ million
Deposits of non-bank customers				
Current accounts	**138,077**	118,751	**72,297**	58,217
Savings deposits	**78,566**	71,097	**64,711**	57,309
Term deposits	**86,046**	90,786	**49,008**	51,998
Structured deposits	**5,292**	4,505	**2,605**	1,448
Certificates of deposit issued	**25,566**	22,229	**25,060**	22,121
Other deposits	**8,848**	7,539	**7,532**	6,652
	342,395	314,907	**221,213**	197,745
Deposits and balances of banks	**8,239**	9,586	**6,708**	7,408
	350,634	324,493	**227,921**	205,153

18. Derivative financial instruments

The derivative financial instruments shown in the following tables are held for both trading and hedging purposes. The contractual or underlying principal amounts of these derivative financial instruments and their corresponding gross positive (derivative receivables) and negative (derivative payables) fair values at the reporting date are analysed below.

	2021			2020		
GROUP ($ million)	**Principal notional amount**	**Derivative receivables**	**Derivative payables**	**Principal notional amount**	**Derivative receivables**	**Derivative payables**
Foreign exchange derivatives (FED)						
Forwards	**46,848**	**344**	**339**	62,902	570	616
Swaps	**433,075**	**3,359**	**3,071**	358,713	5,689	5,900
OTC options	**72,241**	**241**	**240**	61,700	338	297
Exchange traded futures	**27**	**#**	**–**	7	#	–
	552,191	**3,944**	**3,650**	483,322	6,597	6,813
Interest rate derivatives (IRD)						
Forwards	**–**	**–**	**–**	527	2	2
Swaps	**450,397**	**4,231**	**4,342**	475,498	7,971	8,020
OTC options	**4,243**	**24**	**28**	3,715	29	42
Exchange traded futures	**8,625**	**1**	**2**	5,232	1	1
	463,265	**4,256**	**4,372**	484,972	8,003	8,065
Equity derivatives						
Swaps	**5,685**	**443**	**470**	3,906	216	204
OTC options	**10,945**	**543**	**498**	7,291	223	243
Exchange traded options	**–**	**–**	**–**	19	#	–
Exchange traded futures	**286**	**#**	**#**	551	1	4
	16,916	**986**	**968**	11,767	440	451
Credit derivatives						
Swaps – protection buyer	**1,552**	**3**	**20**	3,969	11	60
Swaps – protection seller	**1,171**	**19**	**3**	2,745	56	11
	2,723	**22**	**23**	6,714	67	71
Other derivatives						
Precious metals	**800**	**7**	**8**	1,366	25	25
OTC options	**8,399**	**50**	**47**	7,984	89	89
Futures	**–**	**–**	**–**	1	#	–
Commodity swaps	**20**	**2**	**2**	26	2	2
	9,219	**59**	**57**	9,377	116	116
Total	**1,044,314**	**9,267**	**9,070**	996,152	15,223	15,516
Included items designated for hedges:						
Fair value/cash flow hedge – FED	**2,415**	**32**	**77**	1,539	–	112
Fair value/cash flow hedge – IRD	**10,215**	**90**	**87**	12,293	150	217
Hedge of net investments – FED	**3,642**	**49**	**180**	3,345	161	20
	16,272	**171**	**344**	17,177	311	349

For the fair value hedges, the carrying amount at 31 December 2021 relating to the assets and liabilities designated as hedged items were $6,550 million and $6,169 million (2020: $7,152 million and $7,450 million) respectively. The hedged items were mainly fixed rate debt securities held (financial assets) and debt securities issued (financial liabilities).

For the cash flow hedges, the carrying amount at 31 December 2021 relating to the assets and liabilities designated as hedged items were $2,379 million and $2,186 million (2020: $2,151 million and $2,151 million) respectively. The hedged items were mainly bonds, variable rate loans (financial assets) and deposits (financial liabilities).

18. Derivative financial instruments *(continued)*

BANK ($ million)	2021 Principal notional amount	2021 Derivative receivables	2021 Derivative payables	2020 Principal notional amount	2020 Derivative receivables	2020 Derivative payables
Foreign exchange derivatives (FED)						
Forwards	**27,759**	**176**	**163**	35,367	350	450
Swaps	**377,160**	**2,772**	**2,583**	330,179	5,016	5,196
OTC options	**50,077**	**163**	**162**	4,973	47	45
Exchange traded futures	**27**	**#**	**–**	7	#	–
	455,023	**3,111**	**2,908**	370,526	5,413	5,691
Interest rate derivatives (IRD)						
Swaps	**330,104**	**3,878**	**3,954**	394,770	7,766	7,714
OTC options	**3,597**	**25**	**28**	3,703	29	42
Exchange traded futures	**8,247**	**#**	**1**	4,930	1	1
	341,948	**3,903**	**3,983**	403,403	7,796	7,757
Equity derivatives						
Swaps	**5,233**	**406**	**434**	3,528	208	194
OTC options	**8,250**	**345**	**282**	1,894	45	65
Exchange traded options	**–**	**–**	**–**	19	#	–
Exchange traded futures	**265**	**#**	**#**	298	–	#
	13,748	**751**	**716**	5,739	253	259
Credit derivatives						
Swaps – protection buyer	**1,440**	**#**	**20**	3,819	–	60
Swaps – protection seller	**1,060**	**19**	**–**	2,593	56	–
	2,500	**19**	**20**	6,412	56	60
Other derivatives						
Precious metals	**121**	**1**	**2**	93	#	1
OTC options	**6,686**	**27**	**27**	–	–	–
Futures	**–**	**–**	**–**	1	#	–
	6,807	**28**	**29**	94	#	1
Total	**820,026**	**7,812**	**7,656**	786,174	13,518	13,768
Included items designated for hedges:						
Fair value/cash flow hedge – FED	**4,873**	**68**	**229**	4,506	159	119
Fair value hedge – IRD	**5,529**	**78**	**45**	7,922	148	112
Hedge of net investments – FED	**770**	**2**	**19**	294	2	4
	11,172	**148**	**293**	12,722	309	235

19. Other liabilities

	GROUP 2021 $ million	GROUP 2020 $ million	BANK 2021 $ million	BANK 2020 $ million
Bills payable	**490**	400	**337**	274
Interest payable	**328**	472	**193**	264
Lease liabilities	**228**	278	**49**	62
Precious metal liabilities [1]	**1,363**	23	**23**	23
Sundry creditors	**3,138**	5,472	**659**	654
Others [1]	**1,616**	1,448	**645**	609
	7,163	8,093	**1,906**	1,886

[1] Comparatives have been restated to confirm to current year's presentation.

At 31 December 2021, reinsurance liabilities included in "Others" amounted to $108 million (2020: $66 million) for the Group.

20. Deferred tax

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
At 1 January	**1,685**	1,806	**182**	217
Currency translation and others	**2**	2	**1**	(1)
Net credit to income statements (Note 11)	**(173)**	(46)	**(106)**	(37)
Under/(over) provision in prior years	**2**	(#)	**1**	(#)
Net (credit)/charge to equity	**(87)**	70	**(12)**	3
Net change in life insurance fund tax	**1,123**	(147)	**–**	–
At 31 December	**2,552**	1,685	**66**	182

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The deferred tax assets and liabilities are to be recovered and settled after one year and the following amounts, determined after appropriate offsetting, are shown in the balance sheets:

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
Deferred tax liabilities				
Accelerated tax depreciation	**114**	101	**73**	67
Unrealised gains on investments	**216**	317	**#**	9
Depreciable assets acquired in business combination	**121**	138	**36**	38
Provision for policy liabilities	**2,244**	1,110	**–**	–
Regulatory loss allowance reserve	**62**	125	**62**	125
Others	**197**	182	**2**	2
	2,954	1,973	**173**	241
Amount offset against deferred tax assets	**(122)**	(155)	**(19)**	(18)
	2,832	1,818	**154**	223
Deferred tax assets				
Allowances for impairment of assets	**(254)**	(169)	**(64)**	(26)
Tax losses	**(8)**	(9)	**(6)**	(6)
Others	**(140)**	(110)	**(37)**	(27)
	(402)	(288)	**(107)**	(59)
Amount offset against deferred tax liabilities	**122**	155	**19**	18
	(280)	(133)	**(88)**	(41)
Net deferred tax liabilities/(assets)	**2,552**	1,685	**66**	182

Deferred income tax assets are recognised for tax losses carried forward only to the extent that realisation of the related tax benefit through future taxable profits is probable. At 31 December 2021, unutilised tax losses carried forward for which no deferred income tax has been recognised amounted to $68 million (2020: $72 million) for the Group, nil (2020: $9 million) for the Bank. These tax losses have no expiry date except for an amount of $57 million (2020: $61 million) which will expire between the years 2022 and 2029 (2020: years 2021 and 2028).

21. Debt issued

	Note	GROUP 2021 $ million	GROUP 2020 $ million	BANK 2021 $ million	BANK 2020 $ million
Unsecured					
Subordinated debt	21.1	**2,730**	3,145	**2,730**	2,745
Fixed and floating rate notes	21.2	**2,771**	3,551	**2,313**	2,993
Commercial paper	21.3	**8,668**	12,057	**8,668**	12,057
Structured notes	21.4	**2,425**	1,869	**2,425**	1,869
		16,594	20,622	**16,136**	19,664
Secured					
Covered bonds	21.5	**3,521**	3,733	**3,521**	3,733
Total debt issued		**20,115**	24,355	**19,657**	23,397

21.1 Subordinated debt

	Note	Issue date	Maturity date	GROUP 2021 $ million	GROUP 2020 $ million
Issued by the Bank:					
USD1 billion 4.25% notes	(a)	19 Jun 2014	19 Jun 2024	**1,402**	1,426
USD1 billion 1.832% notes	(b)	10 Sep 2020	10 Sep 2030	**1,328**	1,319
				2,730	2,745
Issued by The Great Eastern Life Assurance Company Limited (GEL):					
SGD400 million 4.60% notes	(c)	19 Jan 2011	19 Jan 2026	–	400
Total subordinated debt				**2,730**	3,145

(a) The subordinated notes can be written off in whole or in part if the MAS determines that the Bank would become non-viable. Interest is payable semi-annually on 19 June and 19 December each year at 4.25% per annum. The Bank had entered into interest rate swaps to manage the risk of the subordinated notes and the cumulative fair value change of the risk hedged is included in the carrying amount. The subordinated notes qualify as Tier 2 capital for the Group.

(b) The subordinated notes are redeemable in whole at the option of the Bank on 10 September 2025. They can be written off in whole or in part if the MAS determines that the Bank would become non-viable. Interest is payable semi-annually on 10 March and 10 September each year at 1.832% per annum up to 10 September 2025, and thereafter at a fixed rate per annum equal to the then prevailing 5-year U.S. Treasury Rate plus 1.58% if the redemption option is not exercised. The Bank had entered into interest rate swaps to manage the risk of the subordinated notes and the cumulative fair value change of the risk hedged is included in the carrying amount. The subordinated notes qualify as Tier 2 capital for the Group.

(c) The subordinated notes are redeemable in whole at the option of GEL on 19 January 2021. Interest is payable semi-annually on 19 January and 19 July each year at 4.60% per annum up to 19 January 2021, and thereafter at a fixed rate per annum equal to the then prevailing 5-year Singapore Swap Offer Rate plus 1.35% if the redemption option is not exercised.

The subordinated notes were fully redeemed by GEL on 19 January 2021.

21. Debt issued *(continued)*

21.2 Fixed and floating rate notes

	Note	Issue date	Maturity date	GROUP 2021 $ million	GROUP 2020 $ million
Issued by the Bank:					
AUD600 million floating rate notes	(a)	23 Apr 2018	23 Apr 2021	–	610
AUD500 million floating rate notes	(a)	6 Sep 2018	6 Sep 2021	–	509
AUD700 million floating rate notes	(b)	23 May 2019 – 15 Jan 2020	23 May 2022	**686**	712
AUD500 million floating rate notes	(c)	5 Dec 2019	5 Dec 2022	**490**	509
AUD200 million floating rate notes	(d)	4 Sep 2020	4 Sep 2023	**196**	204
AUD460 million floating rate notes	(e)	18 Mar 2021 – 25 Mar 2021	18 Mar 2024	**451**	–
AUD500 million floating rate notes	(f)	12 Aug 2021	12 Aug 2024	**490**	–
USD340 million floating rate notes	(a)	17 May 2018	17 May 2021	–	449
				2,313	2,993
Issued by PT Bank OCBC NISP Tbk:					
IDR535 billion 6.90% fixed rate bonds	(a)	11 Apr 2018	10 Apr 2021	–	47
IDR342 billion 7.75% fixed rate bonds	(a)	6 Jul 2018	6 Jul 2021	–	32
				–	79
Issued by Pac Lease Berhad:					
MYR80 million 3.80% fixed rate notes	(a)	23 Sep 2019	23 Mar 2021	–	26
MYR50 million 3.80% fixed rate notes	(a)	26 Sep 2019	26 Mar 2021	–	16
MYR50 million 3.45% fixed rate notes	(g)	6 Mar 2020	7 Mar 2022	**16**	16
MYR50 million 3.00% fixed rate notes	(g)	22 Dec 2020	22 Jun 2022	**16**	16
MYR50 million 3.20% fixed rate notes	(g)	30 Jul 2021	13 Aug 2023	**16**	–
MYR80 million 3.48% fixed rate notes	(g)	17 Dec 2021	18 Jun 2024	**26**	–
MYR30 million 3.28% fixed rate notes	(g)	13 Aug 2021	14 Feb 2024	**10**	–
				84	74
Issued by OCBC Wing Hang Bank (China) Limited:					
CNY2 billion 4.06% fixed rate bonds	(a)	28 Nov 2018	28 Nov 2021	–	405
CNY730 million 3.50% fixed rate bonds	(h)	24 May 2021	24 May 2024	**157**	–
CNY1.02 billion 3.32% fixed rate bonds	(h)	22 Nov 2021	22 Nov 2024	**217**	–
				374	405
Total fixed and floating rate notes				**2,771**	3,551

(a) The notes and bonds were fully redeemed on their respective maturity dates.

(b) Interest is payable quarterly at the 3-month Bank Bill Swap reference rate plus 0.575% to 0.62% per annum.

(c) Interest is payable quarterly at the 3-month Bank Bill Swap reference rate plus 0.63% per annum.

(d) Interest is payable quarterly at the 3-month Bank Bill Swap reference rate plus 0.48% per annum.

(e) Interest is payable quarterly at the 3-month Bank Bill Swap reference rate plus 0.34% to 0.35% per annum.

(f) Interest is payable quarterly at the 3-month Bank Bill Swap reference rate plus 0.26% per annum.

(g) Interest is payable semi-annually.

(h) Interest is payable annually.

21. Debt issued *(continued)*

21.3 Commercial paper

	GROUP	
	2021	2020
	$ million	$ million
Issued by the Bank	**8,668**	12,057

The Bank issued the commercial paper under its USD10 billion ECP programme and USD25 billion USCP programme. The notes outstanding as at 31 December 2021 (2020: 31 December 2020) were issued between 14 April 2021 (2020: 6 February 2020) and 10 November 2021 (2020: 16 December 2020), and mature between 3 January 2022 (2020: 4 January 2021) and 23 September 2022 (2020: 8 October 2021). The commercial papers are zero-coupon papers, or floating rate papers pegged to monthly or quarterly market rates.

21.4 Structured notes

			GROUP	
	Issue date	Maturity date	2021	2020
Issued by the Bank:			$ million	$ million
Credit linked notes	1 Oct 2012 - 28 Dec 2021	3 Jan 2022 - 17 Dec 2026	**986**	867
Fixed rate notes	9 Oct 2012 - 27 Dec 2012	9 Oct 2037 - 28 Dec 2037	**108**	106
Bond linked notes	12 Oct 2016 - 24 Jun 2021	20 Sep 2022 - 24 May 2027	**109**	221
Index linked notes	5 Sep 2018 - 15 Mar 2019	22 Feb 2022	**2**	14
Fund linked notes	16 Jul 2018 - 28 Oct 2021	20 Jan 2022 - 4 May 2026	**49**	50
Participation notes	14 Jun 2019 - 29 Dec 2021	28 Feb 2022 - 7 Jul 2028	**1,171**	611
			2,425	1,869

The structured notes were issued by the Bank under its Structured Note and Global Medium Term Notes Programmes and were measured at amortised cost, except for $983 million (2020: $785 million) included under credit linked notes and $109 million (2020: $221 million) included under bond linked notes as at 31 December 2021 which were measured at fair value through profit or loss.

In accordance with SFRS(I) 9, to the extent that the underlying economic characteristics and risks of the embedded derivatives were not closely related to the economic characteristics and risks of the host contract, and where such embedded derivatives would meet the definition of a derivative, the Group bifurcated such embedded derivatives and recognised these separately from the host contracts. The bifurcated embedded derivatives were fair valued through profit or loss, and were included as part of the Group's derivatives in the financial statements.

21. Debt issued *(continued)*

21.5 Covered bonds

	Issue date	Maturity date	GROUP 2021 $ million	GROUP 2020 $ million
Issued by the Bank:				
EUR1 billion 0.25% fixed rate bonds	21 Mar 2017 – 5 Oct 2017	21 Mar 2022 – 5 Oct 2022	**1,531**	1,631
EUR500 million 0.375% fixed rate bonds	1 Mar 2018	1 Mar 2023	**767**	820
EUR500 million 0.625% fixed rate bonds	18 Apr 2018	18 Apr 2025	**767**	833
GBP250 million floating rate bonds	14 Mar 2018	14 Mar 2023	**456**	449
			3,521	3,733

The covered bonds were issued by the Bank under its USD10 billion Global Covered Bond Programme. The Covered Bond Guarantor, Red Sail Pte. Ltd., guarantees the payments of interest and principal. The guarantee is secured by a portfolio of Singapore housing loans transferred from OCBC Bank to Red Sail Pte. Ltd. (Note 46.2). Interest for the EUR and GBP covered bonds is payable annually and quarterly, respectively, and in arrear.

21.6 Reconciliation of movements of liabilities to cash flow arising from financing activities

GROUP ($ million)	Subordinated debt	Fixed and floating rate notes	Commercial paper	Structured notes	Covered bonds	Total
At 1 January 2020	1,797	4,502	17,872	1,742	3,475	29,388
Cash flows	1,365	(1,206)	(5,905)	150	–	(5,596)
Non-cash changes						
Currency translation	(71)	254	24	(22)	(39)	146
Others	54	1	66	(1)	297	417
At 31 December 2020/ 1 January 2021	**3,145**	**3,551**	**12,057**	**1,869**	**3,733**	**24,355**
Cash flows	**(400)**	**(754)**	**(3,643)**	**557**	**–**	**(4,240)**
Non-cash changes						
Currency translation	**59**	**(26)**	**242**	**(3)**	**61**	**333**
Others	**(74)**	**(#)**	**12**	**2**	**(273)**	**(333)**
At 31 December 2021	**2,730**	**2,771**	**8,668**	**2,425**	**3,521**	**20,115**

22. Life insurance fund liabilities and assets

	GROUP	
	2021 $ million	2020 $ million
Life insurance fund liabilities		
Movements in life insurance fund		
At 1 January	**83,469**	75,204
Currency translation	**(427)**	41
Net change in life insurance contract liabilities	**4,204**	8,224
At 31 December	**87,246**	83,469
Policy benefits	**5,487**	5,067
Others	**3,573**	5,918
	96,306	94,454
Life insurance fund investment securities and other assets		
Deposits with banks and financial institutions	**5,973**	7,074
Loans	**591**	890
Securities	**86,806**	80,462
Investment property	**1,884**	1,767
Others [1]	**4,842**	6,875
	100,096	97,068
Life insurance fund balances included under the following balance sheet items:		
Liabilities		
Current tax	**188**	67
Deferred tax	**2,467**	1,369
Other liabilities	**76**	88
Assets		
Cash and placements with central banks	**#**	#
Placements with and loans to banks	**2,228**	1,509
Property, plant and equipment and intangible assets	**681**	702
The following contracts were entered into under the life insurance fund:		
Capital commitment authorised and contracted	**149**	171
Derivative financial instruments (principal notional amount)	**36,740**	35,345
Derivative receivables	**356**	747
Derivative payables	**109**	264
Minimum lease payment receivable	**75**	57

[1] Others mainly comprise interest receivable, deposits collected, prepayments, investment debtors and sundry debtors.

23. Cash and placements with central banks

	GROUP		BANK	
	2021	**2020**	**2021**	**2020**
	$ million	**$ million**	**$ million**	**$ million**
Cash on hand	**633**	629	**330**	346
Non-restricted balances with central banks	**1,810**	2,360	**1,780**	2,346
Money market placements and reverse repos with central banks	**20,267**	19,089	**16,988**	14,820
Cash and cash equivalents	**22,710**	22,078	**19,098**	17,512
Restricted balances with central banks – mandatory reserve deposits	**5,211**	4,448	**3,767**	3,458
Gross cash and placements with central banks	**27,921**	26,526	**22,865**	20,970
Allowances for non-impaired placements with central banks	**(2)**	(1)	**(2)**	(1)
Net cash and placements with central banks	**27,919**	26,525	**22,863**	20,969

24. Government treasury bills and securities

	GROUP		BANK	
	2021	**2020**	**2021**	**2020**
	$ million	**$ million**	**$ million**	**$ million**
Singapore government treasury bills and securities	**11,112**	10,628	**10,106**	9,294
Other government treasury bills and securities	**26,159**	22,663	**9,710**	9,411
Total government treasury bills and securities	**37,271**	33,291	**19,816**	18,705

25. Placements with and loans to banks

	GROUP		BANK	
	2021	**2020**	**2021**	**2020**
	$ million	**$ million**	**$ million**	**$ million**
Certificates of deposit held	**7,867**	13,100	**5,877**	10,120
Placements with and loans to banks	**14,440**	17,406	**10,845**	13,160
Market bills purchased	**732**	803	**732**	803
Reverse repos	**201**	1	**67**	1
Balances with banks	**23,240**	31,310	**17,521**	24,084
Bank balances of life insurance fund	**2,228**	1,509	**–**	–
Placements with and loans to banks	**25,468**	32,819	**17,521**	24,084
Allowances for non-impaired placements with and loans to banks	**(6)**	(3)	**(5)**	(1)
Net placements with and loans to banks	**25,462**	32,816	**17,516**	24,083

26. Loans to customers

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
Gross loans	**289,716**	267,240	**191,370**	173,216
Allowances				
Impaired loans (Note 28)	**(1,535)**	(1,812)	**(722)**	(1,393)
Non-impaired loans (Note 30)	**(1,900)**	(1,890)	**(1,247)**	(1,172)
Net loans	**286,281**	263,538	**189,401**	170,651

26.1 Analysed by product

Overdrafts	**5,028**	3,933	**390**	512
Short-term and revolving loans	**66,748**	62,780	**32,703**	26,346
Syndicated and term loans	**119,632**	107,778	**94,273**	87,827
Housing and commercial property loans	**68,849**	67,093	**44,661**	42,189
Car, credit card and share margin loans	**4,614**	4,626	**3,174**	3,058
Bills receivable	**7,351**	5,232	**5,923**	3,856
Others	**17,494**	15,798	**10,246**	9,428
	289,716	267,240	**191,370**	173,216

26.2 Analysed by industry

Agriculture, mining and quarrying	**8,094**	8,483	**5,330**	5,630
Manufacturing	**15,642**	15,814	**8,383**	8,408
Building and construction	**81,375**	71,994	**66,198**	57,667
Housing loans	**61,733**	59,842	**42,812**	40,427
General commerce	**30,159**	28,834	**23,032**	20,850
Transport, storage and communication	**13,423**	14,340	**10,913**	11,919
Financial institutions, investment and holding companies	**25,365**	22,821	**6,854**	5,267
Professionals and individuals	**36,854**	30,659	**14,635**	11,837
Others	**17,071**	14,453	**13,213**	11,211
	289,716	267,240	**191,370**	173,216

27. Non-performing assets

Non-performing assets (NPAs) comprise non-performing loans, debt securities and contingents that are classified as Substandard, Doubtful and Loss in accordance with MAS Notices 612 and 612A.

$ million	Substandard	Doubtful	Loss	Gross loans, securities and contingents	Allowances for impaired assets	Net loans, securities and contingents
GROUP						
2021						
Classified loans	**2,351**	**1,331**	**533**	**4,215**	**(1,482)**	**2,733**
Classified debt securities	**4**	**–**	**2**	**6**	**(2)**	**4**
Classified contingents	**43**	**74**	**#**	**117**	**(53)**	**64**
Total classified assets	**2,398**	**1,405**	**535**	**4,338**	**(1,537)**	**2,801**
2020						
Classified loans	2,152	1,442	323	3,917	(1,807)	2,110
Classified debt securities	5	2	–	7	(3)	4
Classified contingents	14	67	#	81	(5)	76
Total classified assets	2,171	1,511	323	4,005	(1,815)	2,190
BANK						
2021						
Classified loans	**494**	**917**	**99**	**1,510**	**(679)**	**831**
Classified debt securities	**–**	**–**	**–**	**–**	**–**	**–**
Classified contingents	**11**	**50**	**–**	**61**	**(43)**	**18**
Total classified assets	**505**	**967**	**99**	**1,571**	**(722)**	**849**
2020						
Classified loans	1,523	922	141	2,586	(1,388)	1,198
Classified debt securities	–	–	–	–	–	–
Classified contingents	#	54	–	54	(5)	49
Total classified assets	1,523	976	141	2,640	(1,393)	1,247

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
27.1 Analysed by period overdue				
Over 180 days	**927**	1,857	**386**	1,348
Over 90 days to 180 days	**145**	286	**48**	225
30 days to 90 days	**179**	170	**55**	98
Less than 30 days	**1,018**	473	**189**	97
No overdue	**2,069**	1,219	**893**	872
	4,338	4,005	**1,571**	2,640
27.2 Analysed by collateral type				
Property	**2,031**	900	**269**	246
Fixed deposit	**16**	9	**#**	1
Stock and shares	**50**	147	**34**	129
Motor vehicles	**17**	5	**#**	#
Secured – Others	**421**	1,365	**345**	1,296
Unsecured – Corporate and other guarantees	**497**	708	**484**	685
Unsecured – Clean	**1,306**	871	**439**	283
	4,338	4,005	**1,571**	2,640

27. Non-performing assets *(continued)*

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
27.3 Analysed by industry				
Agriculture, mining and quarrying	**96**	345	**41**	272
Manufacturing	**852**	570	**91**	84
Building and construction	**368**	211	**75**	35
Housing loans	**1,002**	420	**253**	193
General commerce	**637**	614	**148**	383
Transport, storage and communication	**501**	1,636	**448**	1,593
Financial institutions, investment and holding companies	**93**	33	–	–
Professionals and individuals	**179**	133	**43**	51
Others	**610**	43	**472**	29
	4,338	4,005	**1,571**	2,640

27.4 Restructured/renegotiated loans

Non-performing restructured loans by loan classification and the related allowances are shown below. The restructured loans as a percentage of total non-performing loans were 31.0% (2020: 45.2%) and 24.8% (2020: 51.6%) for the Group and the Bank respectively.

	2021		2020	
	Amount $ million	Allowance $ million	Amount $ million	Allowance $ million
GROUP				
Substandard	**816**	**295**	1,148	846
Doubtful	**407**	**238**	589	359
Loss	**85**	**37**	34	19
	1,308	**570**	1,771	1,224
BANK				
Substandard	**156**	**29**	939	721
Doubtful	**218**	**200**	390	318
Loss	**1**	**#**	5	4
	375	**229**	1,334	1,043

28. Allowances for impaired loans to customers

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
At 1 January	**1,812**	1,395	**1,393**	1,035
Currency translation	**44**	(44)	**26**	(40)
Net write-offs [1]	**(1,153)**	(663)	**(1,042)**	(466)
Net allowances (Note 10)	**852**	1,149	**354**	877
Interest recognition on impaired loans	**(31)**	(42)	**(15)**	(30)
Transfers	**11**	17	**6**	17
At 31 December (Note 26)	**1,535**	1,812	**722**	1,393

[1] Comprise bad debts written off for the Group and the Bank of $1,267 million and $1,107 million (2020: $735 million and $501 million) respectively, and bad debts recovered for the Group and Bank of $85 million and $66 million (2020: $60 million and $41 million) respectively.

Analysed by industry

	Cumulative allowances for impaired loans		Net allowances for impaired loans charged/(write-back) to income statements	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
GROUP				
Agriculture, mining and quarrying	**67**	72	**(7)**	52
Manufacturing	**283**	177	**138**	103
Building and construction	**136**	65	**116**	50
Housing loans	**155**	47	**110**	24
General commerce	**226**	249	**198**	465
Transport, storage and communication	**283**	1,110	**(4)**	392
Financial institutions, investment and holding companies	**31**	12	**1**	7
Professionals and individuals	**70**	70	**40**	51
Others	**284**	10	**260**	5
	1,535	1,812	**852**	1,149
BANK				
Agriculture, mining and quarrying	**32**	68	**(21)**	46
Manufacturing	**35**	38	**24**	12
Building and construction	**44**	20	**35**	16
Housing loans	**5**	3	**1**	–
General commerce	**82**	133	**87**	382
Transport, storage and communication	**252**	1,086	**(13)**	388
Financial institutions, investment and holding companies	**–**	–	**(#)**	(#)
Professionals and individuals	**33**	39	**4**	25
Others	**239**	6	**237**	8
	722	1,393	**354**	877

29. Debt and equity securities

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
Debt securities	**28,045**	27,934	**16,763**	15,648
Equity securities	**2,568**	2,756	**1,065**	983
Investment funds	**3,402**	2,454	**2,203**	1,214
Total securities	**34,015**	33,144	**20,031**	17,845
Allowances for non-impaired debt securities	**(#)**	(1)	**(#)**	(1)
	34,015	33,143	**20,031**	17,844

Debt securities analysis:

29.1 By credit ratings

Investment grade (AAA to BBB)	**18,983**	18,308	**12,718**	11,697
Non-investment grade (BB to C)	**66**	109	**66**	109
Non-rated	**8,996**	9,517	**3,979**	3,842
	28,045	27,934	**16,763**	15,648

29.2 By credit quality

Pass	**28,038**	27,916	**16,763**	15,640
Special mention	**1**	11	**–**	8
Substandard	**4**	5	**–**	–
Doubtful	**–**	2	**–**	–
Loss	**2**	–	**–**	–
	28,045	27,934	**16,763**	15,648

Debt and equity securities analysis:

29.3 By industry

Agriculture, mining and quarrying	**538**	545	**284**	326
Manufacturing	**2,073**	1,536	**1,627**	948
Building and construction	**2,234**	2,380	**1,421**	1,539
General commerce	**733**	555	**395**	358
Transport, storage and communication	**2,421**	1,991	**1,447**	1,288
Financial institutions, investment and holding companies	**21,484**	21,426	**12,231**	10,748
Others	**4,532**	4,711	**2,626**	2,638
	34,015	33,144	**20,031**	17,845

30. Allowances for financial assets

The following tables show reconciliations from the opening to the closing balance of expected credit loss (ECL).

$ million	Stage 1	Stage 2	Stage 3	Total
GROUP				
At 1 January 2020	470	578	1,397	2,445
Transfer to Stage 1	497	(475)	(22)	–
Transfer to Stage 2	(181)	200	(19)	–
Transfer to Stage 3	(4)	(97)	101	–
Remeasurement [1]	1	783	1,065	1,849
New financial assets originated or purchased	609	257	–	866
Financial assets that have been derecognised	(429)	(312)	–	(741)
Changes in models [2]	7	7	–	14
Write-offs	–	–	(663)	(663)
Foreign exchange and other movements	(3)	(1)	(44)	(48)
At 31 December 2020/1 January 2021	**967**	**940**	**1,815**	**3,722**
Transfer to Stage 1	**563**	**(546)**	**(17)**	**–**
Transfer to Stage 2	**(219)**	**267**	**(48)**	**–**
Transfer to Stage 3	**(3)**	**(206)**	**209**	**–**
Remeasurement [1]	**(554)**	**592**	**687**	**725**
New financial assets originated or purchased	**535**	**398**	**–**	**933**
Financial assets that have been derecognised	**(387)**	**(436)**	**–**	**(823)**
Changes in models [2]	**(10)**	**18**	**–**	**8**
Write-offs	**–**	**–**	**(1,153)**	**(1,153)**
Foreign exchange and other movements	**2**	**2**	**44**	**48**
At 31 December 2021	**894**	**1,029**	**1,537**	**3,460**
BANK				
At 1 January 2020	224	348	1,035	1,607
Transfer to Stage 1	386	(371)	(15)	–
Transfer to Stage 2	(106)	118	(12)	–
Transfer to Stage 3	(2)	(37)	39	–
Remeasurement [1]	77	443	853	1,373
New financial assets originated or purchased	358	192	–	550
Financial assets that have been derecognised	(216)	(231)	–	(447)
Write-offs	–	–	(466)	(466)
Foreign exchange and other movements	(4)	(2)	(41)	(47)
At 31 December 2020/1 January 2021	**717**	**460**	**1,393**	**2,570**
Transfer to Stage 1	**371**	**(358)**	**(13)**	**–**
Transfer to Stage 2	**(87)**	**100**	**(13)**	**–**
Transfer to Stage 3	**(2)**	**(104)**	**106**	**–**
Remeasurement [1]	**(400)**	**429**	**265**	**294**
New financial assets originated or purchased	**318**	**302**	**–**	**620**
Financial assets that have been derecognised	**(218)**	**(279)**	**–**	**(497)**
Changes in models [2]	**3**	**2**	**–**	**5**
Write-offs	**–**	**–**	**(1,042)**	**(1,042)**
Foreign exchange and other movements	**3**	**3**	**26**	**32**
At 31 December 2021	**705**	**555**	**722**	**1,982**

[1] Remeasurement includes the changes in model inputs or assumptions such as changes in the forward-looking macroeconomic variables, partial repayments, additional drawdowns on existing facilities, changes in the measurement after a transfer between stages 1, 2 and 3, and the unwinding impact of time value of money.

[2] Changes in models include significant changes to the quantitative models used to estimate the impacts of the expected credit losses.

30. Allowances for financial assets *(continued)*

Analysed by main class of financial instruments

Loans to customers at amortised cost [1]

$ million	Stage 1	Stage 2	Stage 3	Total
GROUP				
At 1 January 2020	455	575	1,395	2,425
Transfer to Stage 1	493	(471)	(22)	–
Transfer to Stage 2	(180)	199	(19)	–
Transfer to Stage 3	(4)	(97)	101	–
Remeasurement [2]	13	777	1,064	1,854
New financial assets originated or purchased	590	257	–	847
Financial assets that have been derecognised	(414)	(310)	–	(724)
Changes in models [3]	4	7	–	11
Write-offs	–	–	(663)	(663)
Foreign exchange and other movements	(3)	(1)	(44)	(48)
At 31 December 2020/1 January 2021	**954**	**936**	**1,812**	**3,702**
Transfer to Stage 1	**562**	**(545)**	**(17)**	**–**
Transfer to Stage 2	**(216)**	**264**	**(48)**	**–**
Transfer to Stage 3	**(3)**	**(204)**	**207**	**–**
Remeasurement [2]	**(553)**	**579**	**690**	**716**
New financial assets originated or purchased	**516**	**397**	**–**	**913**
Financial assets that have been derecognised	**(373)**	**(429)**	**–**	**(802)**
Changes in models [3]	**(8)**	**18**	**#**	**10**
Write-offs	**–**	**–**	**(1,153)**	**(1,153)**
Foreign exchange and other movements	**2**	**3**	**44**	**49**
At 31 December 2021	**881**	**1,019**	**1,535**	**3,435**
BANK				
At 1 January 2020	215	347	1,035	1,597
Transfer to Stage 1	385	(370)	(15)	–
Transfer to Stage 2	(105)	117	(12)	–
Transfer to Stage 3	(2)	(37)	39	–
Remeasurement [2]	88	442	853	1,383
New financial assets originated or purchased	342	192	–	534
Financial assets that have been derecognised	(206)	(230)	–	(436)
Write-offs	–	–	(466)	(466)
Foreign exchange and other movements	(4)	(2)	(41)	(47)
At 31 December 2020/1 January 2021	**713**	**459**	**1,393**	**2,565**
Transfer to Stage 1	**370**	**(357)**	**(13)**	**–**
Transfer to Stage 2	**(84)**	**97**	**(13)**	**–**
Transfer to Stage 3	**(2)**	**(104)**	**106**	**–**
Remeasurement [2]	**(400)**	**426**	**265**	**291**
New financial assets originated or purchased	**302**	**301**	**–**	**603**
Financial assets that have been derecognised	**(208)**	**(277)**	**–**	**(485)**
Changes in models [3]	**3**	**2**	**–**	**5**
Write-offs	**–**	**–**	**(1,042)**	**(1,042)**
Foreign exchange and other movements	**2**	**4**	**26**	**32**
At 31 December 2021	**696**	**551**	**722**	**1,969**

(1) Includes ECL on contingent liabilities and other credit commitments.

(2) Remeasurement includes the changes in model inputs or assumptions such as changes in the forward-looking macroeconomic variables, partial repayments, additional drawdowns on existing facilities, changes in the measurement after a transfer between stages 1, 2 and 3, and the unwinding impact of time value of money.

(3) Changes in models include significant changes to the quantitative models used to estimate the impacts of the expected credit losses.

30. Allowances for financial assets *(continued)*

The following tables set out information about the credit quality of financial assets.

	2021				2020			
$ million	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
GROUP								
Cash and placements with central banks (Note 23)								
Pass	27,232	56	–	27,288	25,862	35	–	25,897
Loss allowances	(#)	(2)	–	(2)	(#)	(1)	–	(1)
Carrying amount	27,232	54	–	27,286	25,862	34	–	25,896
Government treasury bills and securities – Amortised cost (Note 39)								
Pass/Carrying amount	334	13	–	347	378	–	–	378
Government treasury bills and securities – FVOCI [1] (Note 39)								
Pass	32,909	83	–	32,992	28,395	–	–	28,395
Loss allowances	(#)	–	–	(#)	(#)	–	–	(#)
Placements with and loans to banks – Amortised cost (Note 39)								
Pass	17,454	139	–	17,593	19,716	3	–	19,719
Special mention	–	8	–	8	–	–	–	–
	17,454	147	–	17,601	19,716	3	–	19,719
Loss allowances	(6)	(#)	–	(6)	(3)	(#)	–	(3)
Carrying amount	17,448	147	–	17,595	19,713	3	–	19,716
Placements with and loans to banks – FVOCI [1] (Note 39)								
Pass	5,573	1,536	–	7,109	11,869	–	–	11,869
Loss allowances	(2)	(#)	–	(2)	(#)	–	–	(#)
Loans to customers – Amortised cost (Note 39)								
Pass	252,523	26,685	–	279,208	237,043	21,817	–	258,860
Special mention	–	6,244	–	6,244	–	4,374	–	4,374
Substandard	–	–	2,351	2,351	–	–	2,152	2,152
Doubtful	–	–	1,331	1,331	–	–	1,442	1,442
Loss	–	–	533	533	–	–	323	323
	252,523	32,929	4,215	289,667	237,043	26,191	3,917	267,151
Loss allowances	(776)	(779)	(1,482)	(3,037)	(765)	(679)	(1,807)	(3,251)
Carrying amount	251,747	32,150	2,733	286,630	236,278	25,512	2,110	263,900
Loans to customers – FVOCI [1] (Note 39)								
Pass	2	–	–	2	–	–	–	–
Loss allowances	(#)	–	–	(#)	–	–	–	–
Debt securities – Amortised cost (Note 39)								
Pass	331	–	–	331	388	–	–	388
Loss allowances	(#)	–	–	(#)	(1)	–	–	(1)
Carrying amount	331	–	–	331	387	–	–	387
Debt securities – FVOCI [1] (Note 39)								
Pass	22,478	1,124	–	23,602	23,302	243	–	23,545
Special mention	–	–	–	–	–	3	–	3
Substandard	–	–	4	4	–	–	5	5
Doubtful	–	–	2	2	–	–	2	2
	22,478	1,124	6	23,608	23,302	246	7	23,555
Loss allowances	(6)	(7)	(2)	(15)	(9)	(3)	(3)	(15)

For loan commitments and financial guarantee contracts, the amounts in the table represent the amounts committed or guaranteed, respectively.

Loan commitments and contingent liabilities								
Pass	118,370	12,922	–	131,292	108,344	9,671	–	118,015
Special mention	–	654	–	654	–	830	–	830
Substandard	–	–	641	641	–	–	272	272
Doubtful	–	–	487	487	–	–	302	302
Loss	–	–	188	188	–	–	227	227
	118,370	13,576	1,316	133,262	108,344	10,501	801	119,646
Allowances for contingent liabilities and credit commitments (Note 39)	(105)	(240)	(53)	(398)	(189)	(257)	(5)	(451)

[1] In accordance with SFRS(I) 9, for financial asset measured at FVOCI, any impairment is recognised in profit or loss together with a credit to fair value reserves within equity (without adjusting the carrying amount of the financial asset).

30. Allowances for financial assets *(continued)*

	2021				2020			
$ million	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
BANK								
Cash and placements with central banks (Note 23)								
Pass	22,478	57	–	22,535	20,589	35	–	20,624
Loss allowances	(#)	(2)	–	(2)	(#)	(1)	–	(1)
Carrying amount	22,478	55	–	22,533	20,589	34	–	20,623
Government treasury bills and securities – Amortised cost (Note 39)								
Pass/Carrying amount	334	13	–	347	378	–	–	378
Government treasury bills and securities – FVOCI [1] (Note 39)								
Pass	16,585	83	–	16,668	15,011	–	–	15,011
Loss allowances	(#)	(#)	–	(#)	(#)	–	–	(#)
Placements with and loans to banks – Amortised cost (Note 39)								
Pass	10,232	1,412	–	11,644	13,962	2	–	13,964
Loss allowances	(5)	(#)	–	(5)	(1)	(#)	–	(1)
Carrying amount	10,227	1,412	–	11,639	13,961	2	–	13,963
Placements with and loans to banks – FVOCI [1] (Note 39)								
Pass	3,845	1,274	–	5,119	8,889	–	–	8,889
Loss allowances	(#)	(#)	–	(#)	(#)	–	–	(#)
Loans to customers – Amortised cost (Note 39)								
Pass	167,580	20,139	–	187,719	156,100	12,496	–	168,596
Special mention	–	2,094	–	2,094	–	1,950	–	1,950
Substandard	–	–	494	494	–	–	1,523	1,523
Doubtful	–	–	917	917	–	–	922	922
Loss	–	–	99	99	–	–	141	141
	167,580	22,233	1,510	191,323	156,100	14,446	2,586	173,132
Loss allowances	(638)	(392)	(679)	(1,709)	(592)	(299)	(1,388)	(2,279)
Carrying amount	166,942	21,841	831	189,614	155,508	14,147	1,198	170,853
Debt securities – Amortised cost (Note 39)								
Pass	331	–	–	331	388	–	–	388
Loss allowances	(#)	–	–	(#)	(1)	–	–	(1)
Carrying amount	331	–	–	331	387	–	–	387
Debt securities – FVOCI [1] (Note 39)								
Pass	12,495	568	–	13,063	12,018	63	–	12,081
Loss allowances	(2)	(3)	–	(5)	(2)	–	–	(2)

For loan commitments and financial guarantee contracts, the amounts in the table represent the amounts committed or guaranteed, respectively.

Loan commitments and contingent liabilities								
Pass	86,416	9,510	–	95,926	82,012	7,722	–	89,734
Special mention	–	480	–	480	–	623	–	623
Substandard	–	–	581	581	–	–	241	241
Doubtful	–	–	441	441	–	–	277	277
Loss	–	–	177	177	–	–	158	158
	86,416	9,990	1,199	97,605	82,012	8,345	676	91,033
Allowances for contingent liabilities and credit commitments (Note 39)	(59)	(158)	(43)	(260)	(121)	(160)	(5)	(286)

[1] In accordance with SFRS(I) 9, for financial asset measured at FVOCI, any impairment is recognised in profit or loss together with a credit to fair value reserves within equity (without adjusting the carrying amount of the financial asset).

31. Other assets

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
Interest receivable	**889**	970	**481**	509
Sundry debtors (net)	**922**	1,156	**87**	98
Deposits and prepayments	**1,911**	2,541	**1,391**	2,146
Others	**2,612**	1,139	**380**	382
	6,334	5,806	**2,339**	3,135

At 31 December 2021, reinsurance assets included in "Others" amounted to $467 million (2020: $298 million) for the Group.

32. Associates

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
Quoted equity security, at cost	**2,601**	2,087	**2,157**	1,643
Unquoted equity securities, at cost	**145**	144	**65**	65
	2,746	2,231	**2,222**	1,708
Share of post-acquisition reserves	**3,289**	2,264	–	–
Unquoted equity security, at fair value	**95**	97	–	–
Net carrying amount	**6,130**	4,592	**2,222**	1,708
Amounts due from associates (unsecured)	**40**	41	**40**	41
Allowances for non-impaired amounts due from associates	**(#)**	(#)	**(#)**	(#)
	40	41	**40**	41
Investments in and amounts due from associates	**6,170**	4,633	**2,262**	1,749

32.1 List of principal associates

The Group's principal associates are as follows:

Name of associates	Country of incorporation/ Principal place of business	Nature of the relationship with the Group	Effective % interest held [3] 2021	2020
Quoted				
Bank of Ningbo Co., Ltd. [1]	People's Republic of China	A commercial bank, which enables the Group to expand its bilateral business in offshore financing, trade finance and private banking.	**20**	20
Unquoted				
Maxwealth Fund Management Company Limited [1]	People's Republic of China	A privately held asset manager that manufactures and distributes mutual funds in Greater China.	**29**	29
Network for Electronic Transfers (Singapore) Pte Ltd [2]	Singapore	Provides electronic payment services, which enables the Group to extend funds transfer services to its broad customer base.	**33**	33

[1] Audited by Ernst & Young.
[2] Audited by KPMG LLP.
[3] Rounded to the nearest percentage.

32. Associates *(continued)*

32.1 List of principal associates *(continued)*

As at 31 December 2021, the fair value (Level 1 of the fair value hierarchy) of the investments in Bank of Ningbo was $10.74 billion (2020: $8.60 billion). The carrying amount of the Group's interests was $5.70 billion (2020: $4.20 billion).

As Bank of Ningbo is listed on the Shenzhen Stock Exchange, the entity's ability to transfer funds to the Group is subject to local listing and statutory regulations.

32.2 Financial information of material associate

The table below provides the financial information of the Group's material associate:

	Bank of Ningbo Co., Ltd.	
$ million	**2021**	**2020**
Selected income statement information		
Revenue	**11,007**	8,210
Net profit from continuing operations	**4,087**	3,023
Other comprehensive income	**630**	(227)
Total comprehensive income	**4,717**	2,796
Selected balance sheet information		
Current assets	**308,858**	237,879
Non-current assets	**118,265**	91,589
Current liabilities	**(335,881)**	(254,161)
Non-current liabilities	**(59,457)**	(51,205)
Net assets	**31,785**	24,102
Non-controlling interests	**(122)**	(104)
Preference shares	**(3,144)**	(3,000)
Net assets attributable to ordinary shareholders	**28,519**	20,998
Reconciliation of associate's total ordinary shareholders' equity to the carrying amount in the Group's financial statements		
Group's interests in net assets of investee at beginning of the year	**4,199**	3,301
Group's share of:		
– net profit from continuing operations	**783**	571
– other comprehensive income	**336**	123
– total comprehensive income	**1,119**	694
Dividends	**(128)**	(118)
Subscription of shares	**514**	322
Carrying amount of interest in investee at end of the year	**5,704**	4,199
Dividends received during the year	**128**	118

32. Associates *(continued)*

32.2 Financial information of material associate *(continued)*

In addition to the interests in associate disclosed above, the Group also has interests in individually immaterial associates that are accounted for using the equity method.

$ million	2021	2020
At 31 December:		
Aggregate carrying amount of individually immaterial associates	**331**	296
For the year ended:		
Aggregate amounts of the Group's share of:		
Net profit from continuing operations	**40**	40
Other comprehensive income	**3**	6
Total comprehensive income	**43**	46
Dividends received during the year	**1**	2

The Group's share of contingent liabilities in respect of all its associates is as follows:

$ million	2021	2020
At 31 December:		
Share of contingent liabilities incurred jointly with other investors of associates	**13,029**	8,670

33. Subsidiaries

	BANK	
	2021 $ million	2020 $ million
Investments in subsidiaries, at cost		
Quoted securities	**1,970**	1,970
Unquoted securities	**13,149**	13,085
Allowance for impairment	**(31)**	(29)
Net carrying amount	**15,088**	15,026
Amount due from subsidiaries		
Term to maturity of one year or less	**8,842**	8,773
Term to maturity of more than one year	**13,088**	8,473
	21,930	17,246
Of which:		
Unsecured	**21,354**	16,652
Secured	**576**	594
	21,930	17,246
Investments in and amount due from subsidiaries	**37,018**	32,272

At 31 December 2021, the fair values (Level 1 of the fair value hierarchy) of the Group's interests in its quoted subsidiaries, Great Eastern Holdings Limited and PT Bank OCBC NISP Tbk, were $8.38 billion (2020: $8.32 billion) and $1.23 billion (2020: $1.50 billion) respectively.

33. Subsidiaries *(continued)*

33.1 List of principal subsidiaries

Principal subsidiaries of the Group are as follows:

Name of subsidiaries	Country of incorporation/ Principal place of business	Proportion of ownership interests and voting rights held by the Group (%)		Proportion of ownership interests and voting rights held by non-controlling interests (%)	
		2021 [1]	2020 [1]	2021 [1]	2020 [1]
Banking					
Banco OCBC Weng Hang, S.A.	Macau SAR	**100**	100	–	–
Bank of Singapore Limited	Singapore	**100**	100	–	–
OCBC Al-Amin Bank Berhad	Malaysia	**100**	100	–	–
OCBC Bank (Malaysia) Berhad	Malaysia	**100**	100	–	–
OCBC Wing Hang Bank (China) Limited	People's Republic of China	**100**	100	–	–
OCBC Wing Hang Bank Limited	Hong Kong SAR	**100**	100	–	–
PT Bank OCBC NISP Tbk	Indonesia	**85**	85	**15**	15
Insurance					
Great Eastern General Insurance Limited	Singapore	**88**	88	**12**	12
Great Eastern General Insurance (Malaysia) Berhad	Malaysia	**88**	88	**12**	12
Great Eastern Life Assurance (Malaysia) Berhad	Malaysia	**88**	88	**12**	12
The Great Eastern Life Assurance Company Limited	Singapore	**88**	88	**12**	12
Asset management and investment holding					
Lion Global Investors Limited	Singapore	**92**	92	**8**	8
Great Eastern Holdings Limited	Singapore	**88**	88	**12**	12
Stockbroking					
OCBC Securities Private Limited	Singapore	**100**	100	–	–

[1] Rounded to the nearest percentage.

The principal subsidiaries listed above are audited by PricewaterhouseCoopers LLP Singapore and its associated firms.

The Group's subsidiaries do not have significant restrictions on its ability to access or use its assets and settle its liabilities other than those resulting from their respective local statutory, regulatory, supervisory and banking requirements within which its subsidiaries operate. These requirements require the Group's subsidiaries to maintain minimum levels of regulatory capital, liquid assets, and exposure limits. In addition, Great Eastern Holdings Limited and other insurance subsidiaries are subject to their respective local insurance laws and regulations, while the Group's banking subsidiaries are subject to prudential regulatory requirements imposed by local regulators.

33. Subsidiaries *(continued)*

33.2 Non-controlling interests in subsidiaries

The following table summarises the financial information, before intercompany eliminations, relating to principal subsidiaries with material NCI.

	PT Bank OCBC NISP Tbk		Great Eastern Holdings Limited	
$ million	**2021**	**2020**	**2021**	**2020**
Net assets attributable to NCI	**440**	402	**1,215**	1,120
Total comprehensive income attributable to NCI	**38**	18	**115**	123
Dividends paid to NCI during the year	**–**	–	**34**	34
Summarised financial information				
Total assets	**19,883**	18,886	**110,390**	106,928
Total liabilities	**(16,935)**	(16,196)	**(100,254)**	(97,453)
Total net assets	**2,948**	2,690	**10,136**	9,475
Revenue	**909**	882	**19,964**	21,478
Profit	**253**	169	**1,133**	988
Other comprehensive income	**(12)**	31	**(160)**	74
Total comprehensive income	**241**	200	**973**	1,062
Cash flows provided by operating activities	**2,347**	498	**4,274**	1,532
Cash flows (used in)/provided by investing activities	**(2,043)**	(1,594)	**(4,081)**	2,204
Cash flows (used in)/provided by financing activities	**(83)**	154	**(725)**	(302)
Effect of currency translation reserve adjustment	**7**	11	**–**	–
Net changes in cash and cash equivalents	**228**	(931)	**(532)**	3,434

33.3 Consolidated structured entities

The Bank has established a USD10 billion Global Covered Bond Programme (the Programme). Under the Programme, the Bank may from time to time issue covered bonds (the Covered Bonds). The payments of interest and principal under the Covered Bonds are guaranteed by the Covered Bond Guarantor, Red Sail Pte. Ltd. (the CBG). The Covered Bonds issued under the Programme will predominantly be backed by a portfolio of Singapore housing loans transferred from the Bank to the CBG. Integral to the Programme structure, the Bank provides funding and hedging facilities to the CBG.

34. Property, plant and equipment

	2021				2020			
GROUP ($ million)	Property-related	Computer-related [1]	Others	Total	Property-related	Computer-related [1]	Others	Total
Cost								
At 1 January	3,764	2,739	656	7,159	3,753	2,494	640	6,887
Currency translation	32	(1)	1	32	(11)	(5)	(1)	(17)
Additions/modifications	89	335	52	476	109	309	38	456
Disposals/terminations and other transfers	(115)	(34)	(39)	(188)	(82)	(59)	(21)	(162)
Net transfer to:								
Assets held for sale	(10)	–	(#)	(10)	(#)	–	(#)	(#)
Investment property (Note 35)	(21)	–	(#)	(21)	(5)	–	–	(5)
At 31 December	3,739	3,039	670	7,448	3,764	2,739	656	7,159
Accumulated depreciation								
At 1 January	(1,031)	(1,993)	(505)	(3,529)	(899)	(1,805)	(491)	(3,195)
Currency translation	(11)	2	(#)	(9)	(#)	3	1	4
Disposals/terminations and other transfers	45	32	36	113	43	59	28	130
Depreciation charge	(141)	(213)	(36)	(390)	(153)	(210)	(36)	(399)
Depreciation charge to profit from life insurance (Note 4)	(24)	(39)	(8)	(71)	(23)	(40)	(7)	(70)
Net transfer to:								
Assets held for sale	2	–	#	2	#	–	#	#
Investment property (Note 35)	5	–	–	5	1	–	–	1
At 31 December	(1,155)	(2,211)	(513)	(3,879)	(1,031)	(1,993)	(505)	(3,529)
Accumulated impairment losses								
At 1 January	(62)	(#)	(1)	(63)	(63)	(#)	(1)	(64)
Currency translation	#	–	#	#	(#)	–	–	(#)
Disposals and other transfers	–	–	–	–	1	–	–	1
Write-back to income statement	–	–	–	–	–	–	#	#
At 31 December	(62)	(#)	(1)	(63)	(62)	(#)	(1)	(63)
Net carrying amount, at 31 December [2]	2,522	828	156	3,506	2,671	746	150	3,567
Freehold property	409				435			
Leasehold property	1,885				1,959			
Net carrying amount	2,294				2,394			

[1] Includes computer software of $618 million (2020: $452 million). The cost and accumulated depreciation are $2,079 million (2020: $1,575 million) and $1,461 million (2020: $1,123 million) respectively.

[2] Includes ROU assets comprising property-related of $228 million (2020: $277 million), computer-related of $1 million (2020: $4 million) and others of $2 million (2020: $2 million).

34. Property, plant and equipment *(continued)*

	2021				2020			
BANK ($ million)	**Property-related**	**Computer-related [1]**	**Others**	**Total**	**Property-related**	**Computer-related [1]**	**Others**	**Total**
Cost								
At 1 January	**425**	**1,447**	**188**	**2,060**	417	1,332	191	1,940
Currency translation	#	(#)	(#)	(#)	#	#	#	#
Additions	**21**	**174**	**30**	**225**	26	155	13	194
Disposals/terminations and other transfers	**(19)**	**(14)**	**(21)**	**(54)**	(13)	(40)	(16)	(69)
Net transfer to investment property (Note 35)	**(5)**	**–**	**–**	**(5)**	(5)	–	–	(5)
At 31 December	**422**	**1,607**	**197**	**2,226**	425	1,447	188	2,060
Accumulated depreciation								
At 1 January	**(148)**	**(1,062)**	**(151)**	**(1,361)**	(124)	(976)	(155)	(1,255)
Currency translation	#	#	#	#	(#)	(#)	(#)	(#)
Disposals/terminations and other transfers	**18**	**12**	**21**	**51**	12	40	15	67
Depreciation charge	**(37)**	**(133)**	**(12)**	**(182)**	(38)	(126)	(11)	(175)
Net transfer to investment property (Note 35)	**2**	**–**	**–**	**2**	2	–	–	2
At 31 December	**(165)**	**(1,183)**	**(142)**	**(1,490)**	(148)	(1,062)	(151)	(1,361)
Accumulated impairment losses								
At 1 January	**(1)**	**–**	**–**	**(1)**	(1)	–	–	(1)
Disposals and other transfers	**–**	**–**	**–**	**–**	#	–	–	#
At 31 December	**(1)**	**–**	**–**	**(1)**	(1)	–	–	(1)
Net carrying amount, at 31 December [2]	**256**	**424**	**55**	**735**	276	385	37	698
Freehold property	**42**				43			
Leasehold property	**167**				176			
Net carrying amount	**209**				219			

[1] Includes computer software of $368 million (2020: $328 million). The cost and accumulated depreciation are $1,261 million (2020: $1,126 million) and $893 million (2020: $798 million) respectively.

[2] Includes ROU assets comprising property-related of $47 million (2020: $57 million), computer-related of $1 million (2020: $3 million) and others of $# million (2020: $# million).

35. Investment property

$ million	GROUP 2021	GROUP 2020	BANK 2021	BANK 2020
Cost				
At 1 January	**1,049**	1,056	**602**	593
Currency translation	**4**	2	**–**	–
Additions	**7**	4	**7**	4
Disposals and other transfers	**(23)**	(15)	**(9)**	(#)
Net transfer from/(to):				
Property, plant and equipment (Note 34)	**21**	5	**5**	5
Assets held for sale	**(5)**	(3)	**(3)**	–
At 31 December	**1,053**	1,049	**602**	602
Accumulated depreciation				
At 1 January	**(235)**	(216)	**(123)**	(112)
Currency translation	**(1)**	(#)	**–**	–
Disposals and other transfers	**10**	1	**4**	–
Depreciation charge	**(22)**	(20)	**(8)**	(9)
Net transfer (from)/to:				
Property, plant and equipment (Note 34)	**(5)**	(1)	**(2)**	(2)
Assets held for sale	**2**	1	**1**	–
At 31 December	**(251)**	(235)	**(128)**	(123)
Accumulated impairment losses				
At 1 January	**(1)**	(1)	**(1)**	(1)
Write-back to income statement	**#**	–	**#**	–
Net transfer from property, plant and equipment	**–**	(#)	**–**	(#)
At 31 December	**(1)**	(1)	**(1)**	(1)
Net carrying amount				
Freehold property	**525**	547	**159**	162
Leasehold property	**276**	266	**314**	316
At 31 December	**801**	813	**473**	478
Fair value hierarchy				
Level 2	**875**	1,023	**242**	327
Level 3	**1,933**	1,811	**1,103**	1,041
Market value	**2,808**	2,834	**1,345**	1,368

Market values for properties under Level 2 of the fair value hierarchy are determined based on the direct market comparison method. Such valuation is derived from price per square metre for comparable buildings market data with insignificant valuation adjustment, if necessary.

Market values for properties under Level 3 of the fair value hierarchy are determined using a combination of direct market comparison and investment methods. The key unobservable inputs used in these valuations are the capitalisation rates and rental yields.

36. Goodwill and other intangible assets

$ million	GROUP 2021	GROUP 2020	BANK 2021	BANK 2020
Goodwill				
At 1 January	**4,431**	4,468	**1,867**	1,867
Currency translation	**36**	(37)	**–**	–
At 31 December	**4,467**	4,431	**1,867**	1,867
Intangible assets				
At 1 January	**406**	512		
Amortisation charged to income statement:				
– Core deposit relationships [1]	**(41)**	(42)		
– Customer relationships [2]	**(15)**	(15)		
– Distribution platform	**(#)**	(#)		
– Life insurance business [3]	**(47)**	(47)		
Currency translation	**4**	(2)		
At 31 December	**307**	406		
Total goodwill and other intangible assets	**4,774**	4,837	**1,867**	1,867
Analysed as follows:				
Goodwill from acquisition of subsidiaries/business	**4,467**	4,431	**1,867**	1,867
Intangible assets, at cost	**1,571**	1,560	–	–
Accumulated amortisation for intangible assets	**(1,264)**	(1,154)	–	–
	4,774	4,837	**1,867**	1,867

(1) Core deposit relationships, arising from the acquisition of OCBC Wing Hang, are determined to have an estimated useful life of 10 years. At 31 December 2021, these have a remaining useful life of 2.5 years (2020: 3.5 years).

(2) Customer relationships, arising from the acquisition of Bank of Singapore Limited and Barclays WIM, are determined to have an estimated useful life of 10 years. At 31 December 2021, these have a remaining useful life of up to 5 years (2020: 6 years).

(3) The value of in-force insurance business of the Group is amortised over a useful life of 20 years. At 31 December 2021, the intangible asset has a remaining useful life of 3 years (2020: 4 years).

Impairment tests for goodwill

For impairment testing, goodwill is allocated to the Group's CGU identified mainly to business segments as follows:

$ million Cash Generating Units	Basis of determining recoverable value	Carrying amount 2021	Carrying amount 2020
Goodwill attributed to Banking CGU			
Global Consumer Financial Services		**844**	844
Global Corporate Banking		**570**	570
Global Treasury		**524**	524
	Value-in-use	**1,938**	1,938
Great Eastern Holdings Limited	Appraisal value	**427**	427
Bank of Singapore Limited	Value-in-use	**814**	796
Lion Global Investors Limited	Value-in-use	**30**	30
OCBC Wing Hang Bank Limited	Value-in-use	**1,073**	1,056
PT Bank OCBC NISP Tbk	Value-in-use	**175**	174
Others	Value-in-use	**10**	10
		4,467	4,431

36. Goodwill and other intangible assets *(continued)*

The value-in-use calculations apply a discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by management covering a five-year period. The cash flow projections are discounted at a pre-tax discount rate that includes a reasonable risk premium at the date of assessment of the respective CGU. Cash flows beyond the fifth year are extrapolated using the estimated terminal growth rates (weighted average growth rate to extrapolate cash flows beyond the projected years). The terminal growth rate for each CGU used does not exceed management's expectation of the long term average growth rate of the respective industry and country in which the CGU operates. The discount rates and terminal growth rates used are tabulated below for applicable CGUs.

	Banking CGU		Bank of Singapore Limited		OCBC Wing Hang Bank Limited		PT Bank OCBC NISP Tbk	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
Discount rate	**8.6%**	10.0%	**9.5%**	11.8%	**9.6%**	10.5%	**16.5%**	16.0%
Terminal growth rate	**2.0%**	2.0%	**2.0%**	2.0%	**2.6%**	2.6%	**4.0%**	4.0%

For the insurance CGU, the Group applies the appraisal value technique for its value-in-use calculation. This technique is commonly used to determine the economic value of an insurance business, which comprises two components: embedded value of in-force business and existing structural value (value of future sales). The embedded value of the life insurance business is the present value of projected distributable profits (cash flows) of the in-force business. The cash flows represent a deterministic approach based on assumptions as to future operating experience discounted at a risk adjusted rate of 6.00% (2020: 6.00%) and 7.75% (2020: 7.75%) for Singapore and Malaysia respectively. The assumptions take into account the recent experience of, and expected future outlook for the life insurance business of the CGU. Investment returns assumed are based on long term strategic asset mix and their expected future returns. The existing structural value is the value of projected distributable profits from new businesses, which is calculated based on new businesses sold for the nine months ended up to 30 September and applying a new business multiplier to the value of future sales.

A reasonably possible change in key assumptions will not cause the carrying amount to materially exceed the recoverable amount.

37. Segment information

37.1 Business segments

$ million	Global Consumer/ Private Banking	Global Wholesale Banking	Global Treasury and Markets	Insurance	Others	Group
Year ended 31 December 2021						
Net interest income	1,654	2,753	973	98	377	5,855
Non-interest income	2,031	931	237	1,496	46	4,741
Total income	3,685	3,684	1,210	1,594	423	10,596
Operating profit before allowances and amortisation	1,192	2,285	877	1,270	208	5,832
Amortisation of intangible assets	(15)	–	–	(47)	(41)	(103)
Allowances for loans and other assets	(56)	(579)	(4)	1	(235)	(873)
Operating profit after allowances and amortisation	1,121	1,706	873	1,224	(68)	4,856
Share of results of associates, net of tax	–	–	–	–	824	824
Profit before income tax	1,121	1,706	873	1,224	756	5,680
Other information:						
Capital expenditure	72	14	1	105	292	484
Depreciation	85	11	2	8	306	412
At 31 December 2021						
Segment assets	131,082	184,395	99,082	110,950	35,726	561,235
Unallocated assets						280
Elimination						(19,328)
Total assets						542,187
Segment liabilities	167,412	151,651	59,905	97,356	27,116	503,440
Unallocated liabilities						3,737
Elimination						(19,328)
Total liabilities						487,849
Other information:						
Gross non-bank loans	109,953	177,673	1,274	3	813	289,716
NPAs	1,184	3,143	–	4	7	4,338

37. Segment information *(continued)*

37.1 Business segments *(continued)*

$ million	Global Consumer/ Private Banking	Global Wholesale Banking	Global Treasury and Markets	Insurance	Others	Group
Year ended 31 December 2020						
Net interest income	1,912	2,690	899	106	359	5,966
Non-interest income	1,837	812	316	1,169	39	4,173
Total income	3,749	3,502	1,215	1,275	398	10,139
Operating profit before allowances and amortisation	1,401	2,131	905	968	295	5,700
Amortisation of intangible assets	(15)	–	–	(47)	(42)	(104)
Allowances for loans and other assets	(181)	(1,489)	(1)	(2)	(370)	(2,043)
Operating profit after allowances and amortisation	1,205	642	904	919	(117)	3,553
Share of results of associates, net of tax	–	–	–	–	612	612
Profit before income tax	1,205	642	904	919	495	4,165
Other information:						
Capital expenditure	58	21	2	103	250	434
Depreciation	97	11	2	8	301	419
At 31 December 2020						
Segment assets	127,746	169,710	105,718	107,526	34,794	545,494
Unallocated assets						133
Elimination						(24,232)
Total assets						521,395
Segment liabilities	162,999	138,170	62,908	95,731	32,080	491,888
Unallocated liabilities						2,563
Elimination						(24,232)
Total liabilities						470,219
Other information:						
Gross non-bank loans	103,356	162,327	759	3	795	267,240
NPAs	574	3,417	–	5	9	4,005

OCBC Group's businesses are presented in the following customer segments and business activities: Global Consumer/Private Banking, Global Wholesale Banking, Global Treasury and Markets and Insurance.

Global Consumer/Private Banking

Global Consumer/Private Banking provides a full range of products and services to individual customers. At Global Consumer Banking, the products and services offered include deposit products (checking accounts, savings and fixed deposits), consumer loans (housing loans and other personal loans), credit cards, wealth management products (unit trusts, bancassurance products and structured deposits) and brokerage services. Private Banking caters to the specialised banking needs of high net worth individuals, offering wealth management expertise, including investment advice and portfolio management services, estate and trust planning, and wealth structuring.

37. Segment information *(continued)*

37.1 Business segments *(continued)*

Global Wholesale Banking
Global Wholesale Banking serves institutional customers ranging from large corporates and the public sector to small and medium enterprises. The business provides a full range of financing solutions including long-term project financing, short-term credit, working capital and trade financing, as well as customised and structured equity-linked financing. It also provides customers with a broad range of products and services such as cash management and custodian services, capital market solutions, corporate finance services and advisory banking, and treasury products.

Global Treasury and Markets
Global Treasury and Markets is responsible for the management of the Group's asset and liability interest rate positions, engages in foreign exchange activities, money market operations, fixed income and derivatives trading, and offers structured treasury products and financial solutions to meet customers' investment and hedging needs. Income from treasury products and services offered to customers of other business segments, such as Global Consumer/Private Banking and Global Wholesale Banking, is reflected in the respective business segments.

Insurance
The Group's insurance business, including its fund management activities, is undertaken by the Bank's subsidiary Great Eastern Holdings Limited and its subsidiaries, which provide both life and general insurance products to its customers mainly in Singapore and Malaysia.

Others
Others comprise mainly property holding, investment holding and items not attributable to the business segments described above.

The business segment information is prepared based on internal management reports, which are used by senior management for decision-making and performance management. The following management reporting methodologies are adopted:

(a) income and expenses are attributable to each segment based on the internal management reporting policies;
(b) in determining the segment results, balance sheet items are internally transfer priced; and
(c) transactions between business segments are recorded within the segment as if they are third party transactions and are eliminated on consolidation.

Where there are material changes in the organisational structure and management reporting methodologies, segment information for prior periods is reclassified to allow comparability. There are no material items of income or expense between the business segments.

37. Segment information *(continued)*

37.2 Geographical segments

$ million	Total income	Profit before income tax	Income tax expenses	Capital expenditure	Total assets	Total liabilities
2021						
Singapore	**5,955**	**3,039**	**271**	**332**	**317,491**	**311,738**
Malaysia	**1,619**	**860**	**173**	**73**	**66,997**	**55,450**
Indonesia	**940**	**325**	**72**	**43**	**20,954**	**17,650**
Greater China	**1,453**	**1,243**	**75**	**29**	**88,031**	**60,128**
Other Asia Pacific	**262**	**102**	**29**	**5**	**18,631**	**10,644**
Rest of the World	**367**	**111**	**28**	**2**	**30,083**	**32,239**
	10,596	**5,680**	**648**	**484**	**542,187**	**487,849**
2020						
Singapore	5,459	1,505	12	278	307,328	298,782
Malaysia	1,616	850	165	73	67,005	55,796
Indonesia	913	225	59	36	19,845	16,690
Greater China	1,603	1,285	118	34	85,326	60,820
Other Asia Pacific	242	123	32	7	18,558	10,394
Rest of the World	306	177	51	6	23,333	27,737
	10,139	4,165	437	434	521,395	470,219

The Group's operations are in six main geographical areas. The geographical information is prepared based on the country in which the transactions are booked. It would not be materially different if it is based on the country in which the counterparty or assets are located. The geographical information is stated after elimination of intra-group transactions and balances.

38. Risk management

38.1 Overview

The Group's risk management framework encompasses good governance, sound policies, robust lines of defence, right expertise and continuous investment in human resources, technology and digital capabilities. The framework is underpinned by a strong corporate culture that demands accountability, ownership and high ethical standards to ensure that the risks being taken are:

- consistent with the Group's corporate strategy and within established risk appetite;
- adequately compensated and meet the Group's risk-return expectations;
- well-understood, evaluated qualitatively and supported by robust quantitative analyses and stress testing;
- managed holistically by evaluating risk interactions across the different risk types;
- efficiently and comprehensively captured, aggregated and reported;
- reviewed by an independent risk function with adequate resources, authority and expertise; and
- accompanied by contingency plans to ensure resilience against potential crises or unexpected events.

The Board of Directors (Board) has the ultimate responsibility for the effective management of risk and establishes the corporate strategy and approves the risk appetite within which senior management should execute the strategy.

38. Risk management *(continued)*

38.1 Overview *(continued)*

The Board Risk Management Committee (BRMC) is the designated board committee overseeing risk management matters. It ensures that the Group's overall risk management philosophy and principles are aligned with the corporate strategy and within the approved risk appetite. It also ensures that the necessary overall risk management organisation is in place and effective. Based on the approved risk appetite, BRMC approves various quantitative guidance and qualitative expectations for cascading to major business units and risk functions to guide risk-taking. Risk drivers, risk profiles across major lines of business and risk types, the risk management framework and major risk policies as well as compliance matters are regularly reviewed by senior management, risk committees and the BRMC. These matters are reviewed and discussed in greater detail at the dedicated risk committees for major risk types.

The Bank has an independent risk management function, Group Risk Management Division (GRM), headed by the Group Chief Risk Officer (CRO), who reports to the BRMC and Group Chief Executive Officer (CEO). GRM has the functional responsibility for providing independent risk control and managing credit, market, liquidity and operational risks. It provides regular risk reports and updates on developments in material risk drivers, potential vulnerabilities, and the recommended mitigating actions to the senior management, risk committees, BRMC and the Board. Risk management staff work closely with the business and other support units to ensure that risks are understood and managed.

GRM currently also oversees the New Product Approval Process to ensure risks are adequately addressed as well as the data management framework to ensure comprehensive, accurate and timely representation of information to support management decisions. As part of our ongoing effort to enhance trust in data and its responsible use, we will continue to strengthen our data and model governance and technological capabilities, keeping pace with the evolving need for Fairness, Ethics, Accountability and Transparency (FEAT) in the use of Artificial Intelligence (AI) and Data Analytics.

The table below shows the value-at-risk (VaR) by risk type for the Group's trading portfolio.

	2021				2020			
$ million	**End of the period**	**Average**	**Minimum**	**Maximum**	**End of the period**	**Average**	**Minimum**	**Maximum**
Interest rate VaR	**4.11**	**4.38**	**2.15**	**12.30**	5.69	7.99	2.96	15.20
Foreign exchange VaR	**0.63**	**1.74**	**0.59**	**5.75**	3.77	2.67	1.00	6.74
Equity VaR	**1.21**	**2.05**	**0.55**	**6.36**	4.88	2.88	0.42	10.49
Credit spread VaR	**2.01**	**2.67**	**1.42**	**7.02**	6.01	5.29	1.24	10.75
Diversification effect [1]	**(4.93)**	**(5.53)**	**NM [2]**	**NM [2]**	(7.18)	(8.66)	NM [2]	NM [2]
Aggregate VaR	**3.03**	**5.32**	**2.49**	**18.14**	13.17	10.18	4.12	26.34

[1] Diversification effect is computed as the difference between Aggregate VaR and the sum of asset class VaRs.
[2] Not meaningful as the minimum and maximum VaRs may have occurred on different days for different asset classes.

38. Risk management *(continued)*

38.2 Credit risk

Credit risk is the risk of loss of principal and/or income due to the failure of an obligor or counterparty to meet its financial or contractual obligations or an adverse change in the credit profile of the obligor or counterparty. Credit risk arises from the Group's lending activities to retail, corporate and institutional customers. It also includes counterparty and issuer credit risks arising from the Group's underwriting, trading and investment banking activities.

Maximum exposure to credit risk
The following table presents the Group's maximum exposure to credit risk of on-balance sheet and off-balance sheet financial instruments, without taking into account of any collateral held or other credit enhancements. For on-balance sheet assets, the exposure to credit risk equals their carrying amount. For contingent liabilities, the maximum exposure to credit risk is the maximum amount that the Group would have to pay if the obligations of the instruments issued are called upon. For credit commitments, the maximum exposure to credit risk is the full amount of the undrawn credit facilities granted to customers.

	Carrying amount		Average	
S million	**2021**	**2020**	**2021**	**2020**
Credit risk exposure of on-balance sheet assets:				
Loans to customers	**286,281**	263,538	**272,302**	264,153
Placements with and loans to banks	**25,462**	32,816	**26,742**	33,497
Government treasury bills and securities	**37,271**	33,291	**34,669**	30,866
Debt securities	**28,045**	27,934	**28,290**	27,074
Amounts due from associates	**40**	41	**38**	27
Derivative receivables	**9,267**	15,223	**15,269**	15,470
Other assets, comprising interest receivables and sundry debtors	**1,811**	2,126	**2,881**	2,944
	388,177	374,969	**380,191**	374,031
Credit risk exposure of off-balance sheet items:				
Contingent liabilities	**16,651**	13,292	**14,937**	13,101
Credit commitments	**171,062**	160,134	**164,594**	160,213
	187,713	173,426	**179,531**	173,314
Total maximum credit risk exposure	**575,890**	548,395	**559,722**	547,345

Collateral
The main types of collateral obtained by the Group are as follows:

- Residential property loans — Mortgages over residential properties
- Commercial property loans — Mortgages over commercial properties
- Derivatives — Cash and securities
- Car loans — Charges over the vehicles financed
- Share margin financing — Charges over listed securities including those of Singapore, Malaysia and Hong Kong
- Other loans — Securities and charges over business assets such as premises, inventories, trade receivables, deposits, single premium insurance policies or marketable securities

38. Risk management *(continued)*

38.2 Credit risk *(continued)*

Analysed by geography

$ million	Derivative receivables (Note 18)	Government treasury bills and securities (Note 24)	Balances with banks (Note 25)	Loans to customers (Note 26)	Non-performing assets (Note 27)	Allowances for impaired assets (Note 27)	Debt securities (Note 29)
GROUP							
2021							
Singapore	**1,221**	**11,112**	**802**	**115,620**	**606**	**193**	**2,827**
Malaysia	**306**	**5,428**	**2,565**	**27,611**	**1,516**	**361**	**1,598**
Indonesia	**209**	**6,425**	**404**	**18,918**	**1,216**	**504**	**1,367**
Greater China	**1,614**	**4,373**	**14,027**	**74,120**	**586**	**270**	**14,461**
Other Asia Pacific	**599**	**5,393**	**1,813**	**19,293**	**186**	**44**	**4,909**
Rest of the World	**5,318**	**4,540**	**3,629**	**34,154**	**228**	**165**	**2,883**
	9,267	**37,271**	**23,240**	**289,716**	**4,338**	**1,537**	**28,045**
2020							
Singapore	1,719	10,628	644	109,826	1,725	969	2,863
Malaysia	433	5,148	2,945	27,819	782	205	1,452
Indonesia	311	4,605	553	18,833	651	312	1,318
Greater China	2,129	5,678	20,895	65,216	358	129	15,431
Other Asia Pacific	875	4,906	1,443	18,886	118	45	4,635
Rest of the World	9,756	2,326	4,830	26,660	371	155	2,235
	15,223	33,291	31,310	267,240	4,005	1,815	27,934
BANK							
2021							
Singapore	**1,368**	**10,106**	**304**	**105,801**	**604**	**191**	**1,380**
Malaysia	**98**	**79**	**1,961**	**4,062**	**25**	**18**	**90**
Indonesia	**164**	**274**	**102**	**6,155**	**105**	**82**	**880**
Greater China	**681**	**2,285**	**11,964**	**33,108**	**469**	**234**	**7,901**
Other Asia Pacific	**470**	**5,381**	**1,685**	**16,005**	**173**	**43**	**4,194**
Rest of the World	**5,031**	**1,691**	**1,505**	**26,239**	**195**	**154**	**2,318**
	7,812	**19,816**	**17,521**	**191,370**	**1,571**	**722**	**16,763**
2020							
Singapore	1,869	9,294	34	100,427	1,719	966	1,372
Malaysia	185	53	1,683	4,131	107	41	108
Indonesia	241	526	205	6,642	143	90	672
Greater China	1,203	3,005	18,539	27,373	220	109	7,855
Other Asia Pacific	751	4,895	1,355	15,914	118	44	3,957
Rest of the World	9,269	932	2,268	18,729	333	143	1,684
	13,518	18,705	24,084	173,216	2,640	1,393	15,648

The analysis by geography is determined based on where the credit risk resides.

38. Risk management *(continued)*

38.2 Credit risk *(continued)*

Total loans and advances – Credit quality

In addition to the credit grading of facilities under MAS Notices 612 and 612A, loans and advances are categorised into "neither past due nor impaired", "past due but not impaired" and "impaired".

	Bank loans		Non-bank loans	
$ million	**2021**	**2020**	**2021**	**2020**
Neither past due nor impaired	**23,240**	31,310	**284,855**	261,570
Non-impaired	–	–	**1,690**	2,335
Impaired	–	–	**1,714**	2,332
Past due loans	–	–	**3,404**	4,667
Impaired but not past due	–	–	**1,457**	1,003
Gross loans	**23,240**	31,310	**289,716**	267,240
Allowances				
Impaired loans	–	–	**(1,535)**	(1,812)
Non-impaired loans	**(6)**	(3)	**(1,900)**	(1,890)
Net loans	**23,234**	31,307	**286,281**	263,538

Past due loans

Analysis of past due loans by industry and geography are as follows:

	Bank loans		Non-bank loans	
$ million	**2021**	**2020**	**2021**	**2020**
By industry				
Agriculture, mining and quarrying	–	–	**168**	102
Manufacturing	–	–	**767**	808
Building and construction	–	–	**330**	444
General commerce	–	–	**669**	907
Transport, storage and communication	–	–	**313**	1,163
Financial institutions, investment and holding companies	–	–	**56**	149
Professionals and individuals (include housing loans)	–	–	**963**	953
Others	–	–	**138**	141
	–	–	**3,404**	4,667
By geography				
Singapore	–	–	**625**	1,383
Malaysia	–	–	**576**	672
Indonesia	–	–	**1,829**	2,043
Greater China	–	–	**280**	346
Rest of the World	–	–	**94**	223
	–	–	**3,404**	4,667

38. Risk management *(continued)*

38.2 Credit risk *(continued)*

Loans past due but not impaired
Certain loans and advances are past due but not impaired as the collateral values of these loans are in excess of the principal and interest outstanding. Allowances for these loans may have been set aside. The Group's non-bank loans which are past due but not impaired are as follows:

$ million	2021	2020
Past due		
Less than 30 days	**1,188**	1,697
30 to 90 days	**224**	311
Over 90 days	**278**	327
Past due but not impaired	**1,690**	2,335

Collateral and other credit enhancements obtained
Assets amounting to $116 million (2020: $18 million) were obtained by the Group during the year by taking possession of collateral held as security, or by calling upon other credit enhancements and held at the reporting date.

Repossessed properties are made available for sale in an orderly fashion, with the proceeds used to reduce or repay the outstanding indebtedness. The Group generally does not occupy the premises repossessed for its business use.

Country risk
The Group's country risk framework covers the assessment and rating of countries, as well as the maximum cross-border transfer risk limit granted to any one country based on its risk rating. The risk covers all cross-border transactions including onshore non-local currency transactions. Limits are allocated into maturity time-bands and vary according to the risk rating of the country and the political and economic outlook. The Group's main cross-border transfer risk exposures during the financial year were in Hong Kong SAR, People's Republic of China and Malaysia.

38.3 Market risk and asset liability management

Market risk is the risk of losing income and/or market value due to fluctuations in factors such as interest rates, foreign exchange rates, credit spreads, equity and commodity prices or changes in volatilities, or correlation of such factors. Market risks arise mainly from the Group's trading, client servicing and balance sheet management activities. It includes interest rate risk in the banking book (IRRBB) which is the risk to earnings and capital arising from exposure to adverse changes in the interest rate environment.

The Group's market risk management framework covers the identification, assessment, measurement, monitoring and control of risks. Group-level market risk policies and procedures are established to provide common guidelines and standards for managing market risks. The Group's market risk management strategy and limits – established within the Group's risk appetite and in line with the Group's business strategies – are regularly reviewed, taking into account prevailing macroeconomic and market conditions.

Asset liability management is the strategic management of the Group's balance sheet structure and liquidity requirements. It covers liquidity sourcing and diversification as well as interest rate and structural foreign exchange management.

The Group's asset liability management framework focuses on managing the exposures arising from the balance sheet. The Group monitors its liquidity risk, IRRBB and structural foreign exchange risk profiles against approved risk limits under both business-as-usual and stressed scenarios. These are based on the standards established in the Group's framework, policies and procedures which are subject to regular reviews to ensure that they remain relevant in the context of prevailing market conditions and practices.

38. Risk management *(continued)*

38.3 Market risk and asset liability management *(continued)*

Interest rate risk

The primary goal of the management of IRRBB is to ensure that interest rate risk exposures are maintained within defined risk tolerances and are consistent with the Group's risk appetite. The material sources of IRRBB are repricing risk, yield curve risk, basis risk and optionality risk.

A range of techniques are used to measure IRRBB from both the earnings and economic value perspectives. One method involves the assessment of the impact of various interest rate scenarios on the Group's net interest income and economic value of equity (EVE) of the banking book. Other measures include interest rate sensitivity metrics such as PV01 and repricing gap profile analysis. Behavioural models are used to assess interest rate risks in relation to loan prepayment, time deposit early redemption and the profile of non-maturity deposits. These measurements are used to adjust IRRBB management and hedging strategies, policies and positions.

The significant market risk faced by the Group is interest rate risk arising from the re-pricing mismatches of assets and liabilities from its banking business. The impact on net interest income of the banking book is simulated under various interest rate scenarios and assumptions. Based on a 100 bp parallel rise in yield curves on the Group's exposure to major currencies i.e. Singapore Dollar, US Dollar, Hong Kong Dollar and Malaysian Ringgit, net interest income is estimated to increase by $669 million (2020: $805 million), or approximately +11.4% (2020: +13.5%) of reported net interest income. The corresponding impact from a 100 bp decrease in interest rates is an estimated reduction of $669 million (2020: $805 million) in net interest income, or approximately -11.4% (2020: -13.5%) of reported net interest income.

The 1% rate shock impact on net interest income is based on the Group's interest rate risk profile as at reporting date. It does not take into account actions that would be taken by Global Treasury or the business units to mitigate the impact of this interest rate risk. The projections also assume a constant balance sheet size and position.

38. Risk management *(continued)*

38.3 Market risk and asset liability management *(continued)*

Currency risk

The Group's foreign exchange position by major currencies is shown below. "Others" include mainly Indonesian Rupiah, Chinese Renminbi, Australian Dollar, Euro, Japanese Yen and Sterling Pound.

$ million	SGD	USD	MYR	HKD	Others	Total
2021						
Cash and placements with central banks	15,799	5,132	1,420	773	4,795	27,919
Placements with and loans to banks	472	15,090	529	570	6,573	23,234
Loans to customers	101,047	72,414	19,537	34,595	58,688	286,281
Securities [1]	14,841	20,839	6,911	2,441	26,254	71,286
Derivative receivables	2,828	3,965	164	625	1,685	9,267
Other assets	1,383	3,600	416	325	610	6,334
Amounts due from associates	–	–	–	#	40	40
Financial assets	136,370	121,040	28,977	39,329	98,645	424,361
Deposits of non-bank customers	133,157	109,842	22,603	23,381	53,412	342,395
Deposits and balances of banks	733	4,358	252	389	2,507	8,239
Trading portfolio liabilities	392	–	–	#	1	393
Derivative payables	2,499	4,167	169	614	1,621	9,070
Other liabilities [2]	2,790	2,506	688	625	908	7,517
Debt issued	1	13,038	84	–	6,992	20,115
Financial liabilities	139,572	133,911	23,796	25,009	65,441	387,729
Net financial assets/(liabilities) exposure [3]	(3,202)	(12,871)	5,181	14,320	33,204	
2020						
Cash and placements with central banks	16,946	2,735	893	367	5,584	26,525
Placements with and loans to banks	666	22,430	1,209	135	6,867	31,307
Loans to customers	95,319	61,017	19,994	32,593	54,615	263,538
Securities [1]	14,164	18,303	6,398	2,521	25,048	66,434
Derivative receivables	5,705	5,440	222	1,126	2,730	15,223
Other assets	1,748	2,380	261	549	868	5,806
Amounts due from associates	–	–	–	#	41	41
Financial assets	134,548	112,305	28,977	37,291	95,753	408,874
Deposits of non-bank customers	123,217	95,226	23,096	23,463	49,905	314,907
Deposits and balances of banks	675	4,268	234	1,065	3,344	9,586
Trading portfolio liabilities	296	42	–	–	1	339
Derivative payables	5,340	5,816	266	1,041	3,053	15,516
Other liabilities [2]	4,050	2,217	559	642	944	8,412
Debt issued	411	15,781	74	–	8,089	24,355
Financial liabilities	133,989	123,350	24,229	26,211	65,336	373,115
Net financial assets/(liabilities) exposure [3]	559	(11,045)	4,748	11,080	30,417	

[1] Securities comprise government, debt and equity securities.
[2] Other liabilities include amounts due to associates.
[3] Net exposure without taking into account the effect of offsetting derivative exposures.

38. Risk management *(continued)*

38.3 Market risk and asset liability management *(continued)*

Structural foreign exchange risk

Structural foreign exchange exposure arises primarily from the Group's non-SGD investment in overseas branches, subsidiaries and associates, strategic investments, as well as property assets. The Group manages structural foreign exchange risk through hedging instruments including the use of derivatives and matched funding for foreign currency investments. The table below shows the Group's structural foreign currency exposure at reporting date.

	2021			2020		
$ million	**Structural currency exposure**	**Structural currency exposure – hedged**	**Net structural currency exposure**	**Structural currency exposure**	**Structural currency exposure – hedged**	**Net structural currency exposure**
Hong Kong Dollar	**7,234**	–	**7,234**	7,217	–	7,217
Chinese Renminbi	**8,182**	–	**8,182**	6,495	–	6,495
US Dollar	**4,024**	**3,185**	**839**	3,584	3,115	469
Others	**7,968**	**117**	**7,851**	7,836	50	7,786
Total	**27,408**	**3,302**	**24,106**	25,132	3,165	21,967

Net investment hedges

The amounts relating to items designated as hedging instruments were as follows.

		Carrying amount	
$ million	**Nominal amount**	**Assets**	**Liabilities**
2021			
Foreign exchange derivatives	**3,642**	**49**	**180**
2020			
Foreign exchange derivatives	3,345	161	20

The total change in fair value of the hedging instruments during the year was a loss of $67 million (2020: gain of $125 million) and the change in value of the hedging instruments recognised in OCI was a loss of $67 million (2020: gain of $125 million). There was no gain or loss recognised in other income arising from hedge ineffectiveness in 2021 (2020: nil).

38. Risk management *(continued)*

38.3 Market risk and asset liability management *(continued)*

Liquidity risk

Liquidity risk is the risk arising from the inability to meet financial and cash outflow obligations as they fall due without incurring unacceptable costs or losses through fundraising and asset liquidation.

The objective of liquidity risk management is to ensure that the Group has sufficient funds to meet contractual and regulatory financial obligations and to undertake new transactions.

Liquidity monitoring is performed daily within a framework for projecting cash flows on contractual and behavioural bases. Indicators such as liquidity and deposit concentration ratios are used to establish the optimal funding mix and asset composition. Funding strategies are established to provide effective diversification and stability in funding sources across tenors, products and geographies. Simulations of liquidity exposures under stressed market scenarios are performed and the results are used to adjust liquidity risk management strategies, policies and positions, as well as develop contingency funding plans.

The table below analyses the carrying amount of assets and liabilities of the Group into maturity time bands based on the remaining term to contractual maturity as at the reporting date.

$ million	Within 1 week	1 week to 1 month	1 to 3 months	3 to 12 months	1 to 3 years	Over 3 years	No specific maturity	Total
2021								
Cash and placements with central banks	13,629	2,436	6,643	–	–	–	5,211	27,919
Placements with and loans to banks	5,773	2,918	4,102	10,381	60	#	–	23,234
Loans to customers	24,494	37,225	21,463	32,106	57,751	113,242	–	286,281
Securities [1]	64	2,303	4,421	14,242	22,993	21,293	5,970	71,286
Derivative receivables	8,922	6	99	30	120	90	–	9,267
Other assets [2]	3,336	972	721	542	64	102	877	6,614
Associates	1	–	4	35	–	#	6,130	6,170
Property, plant and equipment and investment property [3]	1	8	1	1	–	–	3,627	3,638
Goodwill and other intangible assets	–	–	–	–	–	–	4,773	4,773
Total	56,220	45,868	37,454	57,337	80,988	134,727	26,588	439,182
Total life insurance fund assets								103,005
Total assets								542,187
Deposits of non-bank customers	229,550	30,704	41,873	37,392	1,907	969	–	342,395
Deposits and balances of banks	5,362	1,593	1,075	154	–	55	–	8,239
Trading portfolio liabilities	–	–	392	–	–	–	1	393
Derivative payables	8,670	1	1	84	145	169	–	9,070
Other liabilities [4]	3,206	1,133	826	1,865	268	219	1,083	8,600
Debt issued	782	1,511	4,488	5,805	4,759	2,770	–	20,115
Total	247,570	34,942	48,655	45,300	7,079	4,182	1,084	388,812
Total life insurance fund liabilities								99,037
Total liabilities								487,849
Net liquidity gap	(191,350)	10,926	(11,201)	12,037	73,909	130,545		

[1] Securities comprise government, debt and equity securities.
[2] Other assets include deferred tax assets.
[3] Property, plant and equipment and investment property include assets held for sale.
[4] Other liabilities include amounts due to associates, current tax and deferred tax liabilities.

38. Risk management *(continued)*

38.3 Market risk and asset liability management *(continued)*

Liquidity risk *(continued)*

$ million	Within 1 week	1 week to 1 month	1 to 3 months	3 to 12 months	1 to 3 years	Over 3 years	No specific maturity	Total
2020								
Cash and placements with central banks	11,968	4,546	5,286	277	–	–	4,448	26,525
Placements with and loans to banks	7,296	1,430	5,503	14,824	2,254	#	–	31,307
Loans to customers	19,291	37,177	16,593	27,836	53,112	109,529	–	263,538
Securities [1]	522	1,450	3,636	14,927	21,403	19,286	5,210	66,434
Derivative receivables	14,603	3	#	#	320	297	–	15,223
Other assets [2]	2,845	1,078	789	356	69	49	753	5,939
Associates	1	–	#	40	–	#	4,592	4,633
Property, plant and equipment and investment property [3]	–	#	2	–	–	–	3,679	3,681
Goodwill and other intangible assets	–	–	–	–	–	–	4,837	4,837
Total	56,526	45,684	31,809	58,260	77,158	129,161	23,519	422,117
Total life insurance fund assets								99,278
Total assets								521,395
Deposits of non-bank customers	202,606	32,526	39,950	37,286	1,748	791	–	314,907
Deposits and balances of banks	6,881	2,103	588	14	–	–	–	9,586
Trading portfolio liabilities	–	–	337	–	–	–	2	339
Derivative payables	15,167	2	1	45	146	155	–	15,516
Other liabilities [4]	4,294	1,242	759	1,717	221	167	1,138	9,538
Debt issued	331	1,028	5,777	8,151	4,994	4,074	–	24,355
Total	229,279	36,901	47,412	47,213	7,109	5,187	1,140	374,241
Total life insurance fund liabilities								95,978
Total liabilities								470,219
Net liquidity gap	(172,753)	8,783	(15,603)	11,047	70,049	123,974		

[1] Securities comprise government, debt and equity securities.
[2] Other assets include deferred tax assets.
[3] Property, plant and equipment and investment property include assets held for sale.
[4] Other liabilities include amounts due to associates, current tax and deferred tax liabilities.

As contractual maturities may not necessarily reflect the timing of actual cash flows of assets and liabilities, cash flows for profiling liquidity risk are on contractual and behavioural bases. The cash flows of assets and liabilities may be different from their contractual terms.

38. Risk management *(continued)*

38.3 Market risk and asset liability management *(continued)*

Contractual maturity for financial liabilities

The table below shows the undiscounted cash outflows of the Group's financial liabilities by remaining contractual maturities, except for trading portfolio liabilities which is profiled in accordance with the Group's trading strategies. Information on cash outflow of gross loan commitments is set out in Note 44. The behavioural cash flows of these liabilities could vary significantly from what is shown in the table. For example, demand deposits of non-bank customers, such as current and savings deposits (Note 17) may exhibit a longer behavioural maturity beyond the contractual profile. Similarly, loan commitments are not all expected to be drawn down immediately.

$ million	Within 1 week	1 week to 1 month	1 to 3 months	3 to 12 months	1 to 3 years	Over 3 years	Total
2021							
Deposits of non-bank customers [1]	229,563	30,765	41,946	37,567	2,022	1,020	342,883
Deposits and balances of banks [1]	5,364	1,594	1,076	154	–	55	8,243
Trading portfolio liabilities	–	–	393	–	–	–	393
Other liabilities [2]	3,177	1,048	749	1,039	226	171	6,410
Debt issued	783	1,512	4,508	5,910	4,910	2,966	20,589
Derivatives							
Trading	8,726	–	–	–	–	–	8,726
Hedging – Net settled	#	2	3	17	35	20	77
Hedging – Gross settled							
Outflow	5	85	912	1,909	1,747	916	5,574
Inflow	(1)	(84)	(960)	(1,829)	(1,610)	(837)	(5,321)
	247,617	34,922	48,627	44,767	7,330	4,311	387,574
2020							
Deposits of non-bank customers [1]	202,631	32,629	40,082	37,583	1,862	842	315,629
Deposits and balances of banks [1]	6,883	2,104	588	14	–		9,589
Trading portfolio liabilities	–	–	339	–	–	–	339
Other liabilities [2]	4,258	1,127	627	908	198	160	7,278
Debt issued	331	1,043	5,796	8,250	5,164	4,065	24,649
Derivatives							
Trading	15,167	–	–	–	–	–	15,167
Hedging – Net settled	#	2	5	57	105	58	227
Hedging – Gross settled							
Outflow	1	100	3	19	2,331	837	3,291
Inflow	–	(97)	(5)	(2)	(2,446)	(812)	(3,362)
	229,271	36,908	47,435	46,829	7,214	5,150	372,807

[1] Interest cash flows of bank and non-bank deposits are included in the respective deposit lines based on interest payment dates.
[2] Other liabilities include amounts due to associates.

38. Risk management *(continued)*

38.4 Insurance-related risk management

This note sets out the risk management information of GEH Group.

Governance framework

Managing risk is an integral part of GEH Group's core business. As stated in the Enterprise Risk Management (ERM) Framework, GEH Group shall operate within parameters and limits that are calibrated to the risk appetite approved by the GEH Board, and pursue appropriate risk-adjusted returns.

GEH Group Risk Management department spearheads the development and implementation of the ERM Framework for GEH Group.

GEH Board is responsible for overseeing GEH Group's risk management initiatives. GEH Board may delegate this responsibility to the Risk Management Committee (RMC) and Senior Management of GEH Group for the execution of these initiatives. At GEH Group level, detailed risk management and oversight activities are undertaken by the following Group Management committees, all of which are chaired by GEH Group Chief Executive Officer and comprise key Senior Management Executives, namely: Group Management Committee (GMC), Group Asset-Liability Committee (Group ALC), Group Investment Committee (Group IC), Group Product Management and Approval Committee (Group PMAC) and Group Technology Strategy Committee (Group TSC).

GMC is responsible for providing leadership, direction and functional oversight on all matters including sustainability performance of GEH Group. In addition to complying with regulatory requirements, the GMC is also responsible for ensuring compliance and alignment with Group Governance and Oversight Framework, i.e. Group standards and guidelines. The GMC is supported by the Group IC, Group ALC, Group PMAC, Group TSC, Local Senior Management Team (SMT), Local ALC, Local Product Development Committee (PDC) and Local TSC.

Group IC is responsible for overseeing all investment management activities of GEH Group and ensuring that the interests and rights of policyholders are not compromised.

Group ALC is responsible for balance sheet management. Specifically, Group ALC reviews and formulates frameworks, policies, processes and methodologies relating to balance sheet management. Group ALC is also responsible for ensuring compliance and alignment with Group Governance and Oversight Framework, i.e. Group standards and guidelines. Group ALC is supported by the local ALC.

Group TSC is responsible for assisting GMC in providing the overall strategic direction and approval of all IT related issues and initiatives, including the digitalisation and transformation programs to support GEH Group's strategic growth into the future. Group TSC is supported by local TSC.

Group PMAC is responsible for reviewing, approving and managing new and existing products, ensuring the business operates within the risk appetite in delivering the annual business targets. Local PDC is responsible for reviewing and endorsing new products at the local operating subsidiaries.

Regulatory framework

Insurers are required to comply with the Insurance Act and Regulations, as applicable, including guidelines on investment limits. The responsibility for the formulation, establishment and approval of the policy for the investment of the funds rests with the respective Board of Directors (Board) of the insurance subsidiaries. GEH Board exercises oversight on investments to safeguard the interests of policyholders and shareholders.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Capital management

The objectives of GEH's capital management policy are to create shareholder value, deliver sustainable returns to shareholders, maintain a strong capital position with sufficient buffer to meet policyholders' obligations and regulatory requirements and make strategic investments for business growth.

GEH Group had no significant changes in the policies and processes relating to its capital structure during the year.

Regulatory capital
GEH Group and its insurance subsidiaries are required to comply with the capital requirements prescribed by the insurance regulations of the jurisdictions in which the subsidiaries operate. The Capital Adequacy Ratios of GEH Group and its insurance subsidiaries in Singapore, Malaysia and Indonesia remained well above the regulatory minimum ratios under the Risk-based Capital Frameworks established by the Monetary Authority of Singapore (MAS), Bank Negara Malaysia (BNM) and Otoritas Jasa Keuangan, Indonesia respectively.

GEH Group's approach to capital management aims to maintain an adequate level of capital to meet regulatory requirements, including any additional amounts required by the regulators of GEH Group and its insurance subsidiaries. This involves managing asset, liability decisions and the associated risks in a coordinated way by assessing and monitoring the available and required capital (by each regulated entity) on a regular basis and, where appropriate, taking appropriate actions to adjust the asset liability position of GEH Group and/or its subsidiaries in light of changes in economic conditions and risk characteristics.

The primary sources of capital of GEH Group are shareholders' equity. GEH Group defines available capital as the amount of assets in excess of liabilities measured in accordance with the insurance regulations of the respective jurisdictions in which the insurance subsidiaries operate.

Dividend
GEH's dividend policy aims to provide shareholders with a predictable and sustainable dividend return, payable on a half-yearly basis.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

The following sections provide details of GEH Group's exposure to insurance and key financial risks, as well as the objectives, policies and processes for managing these risks.

There has been no change to GEH Group's exposure to these insurance and key financial risks or the manner in which it manages and measures the risks.

Insurance risk

The principal activity of GEH Group is the provision of insurance products and related financial advisory services. The products cover risks such as mortality, morbidity (health, disability, critical illness, personal accident), property and casualty, investment saving protection and wealth accumulation guarantees.

GEH Group's underwriting strategy is designed to ensure that risks are well diversified across the types of risk and level of insured benefits. This is largely achieved through diversification across industry sectors and geography, the use of medical screening in order to ensure that pricing takes into account current health conditions and family medical history, regular review of actual claims experience, as well as detailed claims handling procedures. Underwriting limits are also established to enforce appropriate risk selection criteria. For example, GEH Group has the right to reject renewal of insurance policy, impose deductibles and reject payment of fraudulent claims.

Risks inherent in GEH Group's activities include but are not limited to the following.

Insurance risks of life insurance contracts

Insurance risks arise when GEH Group underwrites insurance contracts. While insurance risks may not vary significantly across the geographical locations in which GEH Group currently operates, the types of risks insured, assumptions used in pricing the insurance products and subsequent setting aside of the technical provisions may give rise to potential shortfalls in provision for future claims and expenses when actual claims experience are worse than projections. Assumptions that may cause insurance risks to be underestimated include assumptions on policy lapses, mortality, morbidity and expenses.

GEH Group utilises reinsurance to manage the mortality and morbidity risks. GEH Group's reinsurance management strategy and policy are reviewed annually by RMC and GEH Group ALC. Reinsurance is structured according to the type of risk insured. Catastrophe reinsurance is procured to limit catastrophic losses. GEH Group's exposure to group insurance business is not significant and there is no material concentration risk.

In general, reinsurers must have a minimum credit rating of S&P A- or equivalent to be considered for reinsurance business. GEH Group limits its risk to any one reinsurer by ceding different products to different reinsurers or to a panel of reinsurers.

GEH Group ALC reviews the actual experience of mortality, morbidity, lapses and surrenders, and expenses and ensures that the policies, guidelines and limits established for managing the risks remain adequate and appropriate.

A substantial portion of GEH Group's life insurance funds is participating in nature. In the event of volatile investment climate and/or unusual claims experience, the insurer has the option of revising the bonus payable to policyholders.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Insurance risk *(continued)*

Insurance risks of life insurance contracts *(continued)*

For non-participating funds, the risk is that the guaranteed policy benefits must be met even when investment portfolios perform below expectations, or claims experience is higher than expected.

For investment-linked funds, the risk exposure for GEH Group is limited only to the underwriting aspect as all investment risks are borne by the policyholders.

Stress Testing is performed at least once a year to assess the solvency of the life insurance fund under various stress scenarios. The stress scenarios include regulatory prescribed scenarios, as well as scenarios depicting drastic changes in key parameters such as new business volume, market volatilities, expense patterns, mortality/morbidity patterns and lapse rates.

Table 38.4(A):
The table below sets out the distribution of the various life insurance risk as at the reporting date.

	Gross			Reinsurance			
$ million	**With DPF [1]**	**Without DPF**	**Total**	**With DPF**	**Without DPF**	**Total**	**Net total**
(a) By class of business							
2021							
Whole life	**41,215**	**11,084**	**52,299**	**11**	**(27)**	**(16)**	**52,283**
Endowment	**21,963**	**9,549**	**31,512**	**#**	**(125)**	**(125)**	**31,387**
Term	**#**	**732**	**732**	**(#)**	**(165)**	**(165)**	**567**
Accident and health	**2**	**548**	**550**	**–**	**(133)**	**(133)**	**417**
Annuity	**26**	**444**	**470**	**–**	**–**	**–**	**470**
Others	**128**	**1,268**	**1,396**	**(1)**	**(33)**	**(34)**	**1,362**
Total	**63,334**	**23,625**	**86,959**	**10**	**(483)**	**(473)**	**86,486**
2020							
Whole life	37,089	10,287	47,376	14	(32)	(18)	47,358
Endowment	22,580	7,768	30,348	(65)	(120)	(185)	30,163
Term	#	807	807	(#)	(125)	(125)	682
Accident and health	2	2,357	2,359	–	(1,860)	(1,860)	499
Annuity	27	497	524	–	–	–	524
Others	131	1,361	1,492	(1)	(20)	(21)	1,471
Total	59,829	23,077	82,906	(52)	(2,157)	(2,209)	80,697
(b) By country							
2021							
Singapore	**47,300**	**16,581**	**63,881**	**17**	**(311)**	**(294)**	**63,587**
Malaysia	**15,676**	**6,366**	**22,042**	**(7)**	**(168)**	**(175)**	**21,867**
Others	**358**	**678**	**1,036**	**(#)**	**(4)**	**(4)**	**1,032**
Total	**63,334**	**23,625**	**86,959**	**10**	**(483)**	**(473)**	**86,486**
2020							
Singapore	43,512	16,745	60,257	(46)	(1,901)	(1,947)	58,310
Malaysia	15,966	5,773	21,739	(7)	(253)	(260)	21,479
Others	351	559	910	1	(3)	(2)	908
Total	59,829	23,077	82,906	(52)	(2,157)	(2,209)	80,697

[1] DPF is defined as contracts with Discretionary Participating Features.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Insurance risk *(continued)*

Insurance risks of life insurance contracts *(continued)*

The sensitivity analysis below shows the impact of changes in key parameters on the value of policy liabilities, and hence on the income statement and shareholders' equity.

Sensitivity analysis produced are based on parameters set out as follows:

		Change in assumptions
(a)	Scenario 1 – Mortality and Major Illness	+ 25% for all future years
(b)	Scenario 2 – Mortality and Major Illness	– 25% for all future years
(c)	Scenario 3 – Health and Disability	+ 25% for all future years
(d)	Scenario 4 – Health and Disability	– 25% for all future years
(e)	Scenario 5 – Lapse and Surrender Rates	+ 25% for all future years
(f)	Scenario 6 – Lapse and Surrender Rates	– 25% for all future years
(g)	Scenario 7 – Expenses	+ 30% for all future years

Table 38.4(B1): Profit/(loss) after tax and shareholders' equity sensitivity for the Singapore segment

Impact on 1-year's profit/(loss) after tax and shareholders' equity

Life insurance contracts

	2021			2020		
$ million	Gross impact	Reinsurance ceded	Net impact	Gross impact	Reinsurance ceded	Net impact
Scenario 1	(754)	362	(392)	(622)	282	(340)
Scenario 2	526	(246)	280	434	(196)	238
Scenario 3	(257)	141	(116)	(328)	201	(127)
Scenario 4	150	(45)	105	204	(89)	115
Scenario 5	92	(17)	75	108	(17)	91
Scenario 6	(130)	30	(100)	(147)	26	(121)
Scenario 7	(48)	3	(45)	(44)	6	(38)

Table 38.4(B2): Profit/(loss) after tax and shareholders' equity sensitivity for the Malaysia segment

Impact on 1-year's profit/(loss) after tax and shareholders' equity

Life insurance contracts

	2021			2020		
$ million	Gross impact	Reinsurance ceded	Net impact	Gross impact	Reinsurance ceded	Net impact
Scenario 1	(133)	–	(133)	(131)	7	(124)
Scenario 2	120	–	120	117	(7)	110
Scenario 3	(23)	–	(23)	(19)	1	(18)
Scenario 4	20	–	20	17	(1)	16
Scenario 5	(24)	–	(24)	(1)	(#)	(1)
Scenario 6	58	–	58	5	#	5
Scenario 7	(35)	–	(35)	(32)	–	(32)

The tables above demonstrate the sensitivity of GEH Group's profit or loss after tax to possible changes in individual actuarial valuation assumptions on an individual basis with all other variables held constant.

The method used, including the significant assumptions made, for performing the above sensitivity analysis did not change from the previous year.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Insurance risk *(continued)*

Insurance risk of non-life insurance contracts

Risks under non-life insurance policies usually cover a twelve-month duration. The risk inherent in non-life insurance contracts is reflected in the insurance contract liabilities which include the premium and claims liabilities. The premium liabilities comprise a reserve for unexpired risks, while the claims liabilities comprise the loss reserves which include both provision for outstanding claims notified and outstanding claims incurred but not reported.

Table 38.4(C1):
The table below sets out the distribution of the various categories of the non-life insurance risk as at the reporting date.

	2021			2020		
Non-life insurance contracts $ million	**Gross premium liabilities**	**Reinsured premium liabilities**	**Net premium liabilities**	**Gross premium liabilities**	**Reinsured premium liabilities**	**Net premium liabilities**
(a) By class of business						
Fire	**39**	**(16)**	**23**	32	(14)	18
Motor	**36**	**(2)**	**34**	38	(4)	34
Marine and aviation	**8**	**(4)**	**4**	12	(7)	5
Workmen's compensation	**18**	**(6)**	**12**	22	(7)	15
Personal accident and health	**23**	**(2)**	**21**	23	(2)	21
Miscellaneous	**65**	**(44)**	**21**	62	(39)	23
Total	**189**	**(74)**	**115**	189	(73)	116
(b) By country						
Singapore	**99**	**(47)**	**52**	98	(44)	54
Malaysia	**71**	**(19)**	**52**	74	(23)	51
Indonesia	**19**	**(8)**	**11**	17	(6)	11
Total	**189**	**(74)**	**115**	189	(73)	116

	2021			2020		
Non-life insurance contracts $ million	**Gross claims liabilities**	**Reinsured claims liabilities**	**Net claims liabilities**	**Gross claims liabilities**	**Reinsured claims liabilities**	**Net claims liabilities**
(a) By class of business						
Fire	**128**	**(105)**	**23**	55	(37)	18
Motor	**54**	**(6)**	**48**	52	(7)	45
Marine and aviation	**28**	**(21)**	**7**	34	(25)	9
Workmen's compensation	**34**	**(13)**	**21**	27	(10)	17
Personal accident and health	**25**	**(5)**	**20**	23	(3)	20
Miscellaneous	**222**	**(190)**	**32**	160	(124)	36
Total	**491**	**(340)**	**151**	351	(206)	145
(b) By country						
Singapore	**175**	**(113)**	**62**	191	(137)	54
Malaysia	**289**	**(216)**	**73**	128	(55)	73
Indonesia	**27**	**(11)**	**16**	32	(14)	18
Total	**491**	**(340)**	**151**	351	(206)	145

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Insurance risk *(continued)*

Insurance risk of non-life insurance contracts *(continued)*

Table 38.4(C2): Cumulative claims estimates and cumulative payments to-date

The tables below show the cumulative claims estimates, including both claims notified and IBNR for each successive accident year, at each reporting date, together with cumulative payments to date.

(i) Gross non-life insurance contract liabilities for 2021

	$ million	2014	2015	2016	2017	2018	2019	2020	2021	Total
(a)	**Estimate of cumulative claims**									
	Accident Year	126	165	177	168	162	233	287	273	
	One year later	118	161	177	165	171	234	245	–	
	Two years later	115	133	172	199	161	234	–	–	
	Three years later	111	139	210	204	256	–	–	–	
	Four years later	106	177	208	205	–	–	–	–	
	Five years later	140	177	207	–	–	–	–	–	
	Six years later	139	173	–	–	–	–	–	–	
	Seven years later	138	–	–	–	–	–	–	–	
	Current estimate of cumulative claims	138	173	207	205	256	234	245	273	
(b)	**Cumulative payments**	136	166	198	182	140	188	178	60	
(c)	**Non-life gross claim liabilities**	2	7	9	23	116	46	67	213	483
	Reserve for prior years									8
	Non-life insurance contract liabilities, gross									491

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Insurance risk *(continued)*

Insurance risk of non-life insurance contracts *(continued)*

(ii) Non-life insurance contract liabilities, net of reinsurance of liabilities, for 2021

	$ million	2014	2015	2016	2017	2018	2019	2020	2021	Total
(a)	**Estimate of cumulative claims**									
	Accident Year	80	82	90	92	105	131	118	116	
	One year later	76	78	84	91	119	121	100	–	
	Two years later	75	74	82	126	116	120	–	–	
	Three years later	74	71	106	125	116	–	–	–	
	Four years later	71	94	105	124	–	–	–	–	
	Five years later	93	94	105	–	–	–	–	–	
	Six years later	92	92	–	–	–	–	–	–	
	Seven years later	92	–	–	–	–	–	–	–	
	Current estimate of cumulative claims	92	92	105	124	116	120	100	116	
(b)	**Cumulative payments**	91	89	100	114	104	103	77	44	
(c)	**Non-life net claim liabilities**	1	3	5	10	12	17	23	72	143
	Reserve for prior years									8
	Non-life insurance contract liabilities, net									151

Key assumptions

Non-life insurance contract liabilities are determined based on claims experience, knowledge of existing events, the terms and conditions of the relevant policies and interpretation of circumstances. Of particular relevance is past experience with similar cases, trends in historical claims, legislative changes, judicial decisions, economic conditions and claims handling procedures. The estimates of the non-life insurance contract liabilities are therefore sensitive to various factors and uncertainties. The actual future premium and claims liabilities will not develop exactly as projected and may vary from initial estimates.

Insurance risk of non-life insurance contracts is mitigated by achieving a large and well-diversified portfolio of insurance contracts across various industries and geographical areas. The risks are further mitigated by careful selection and implementation of underwriting strategies, which are designed to ensure that risks are diversified in terms of type of risk and level of insured benefits. Comprehensive assessment of new and on-going claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are established to further reduce the risk exposure of GEH Group. In addition, GEH Group further enforces a policy of active management and prompt pursuit of claims, in order to reduce its exposure to unpredictable future developments that can negatively impact GEH Group.

GEH Group has also limited its exposure by imposing maximum claim amounts on certain contracts as well as the use of reinsurance arrangements in order to limit exposure to catastrophic events such as hurricanes, earthquakes and flood damages.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Insurance risk *(continued)*

Insurance risk of non-life insurance contracts *(continued)*

The sensitivity analysis below shows the impact of changes in key assumptions on gross and net liabilities, profit before tax and equity.

		Impact on			
$ million	**Change in assumptions**	**Gross liabilities**	**Net liabilities**	**Profit before tax**	**Equity**
2021					
Provision for adverse deviation margin	**+20%**	**11**	**4**	**(4)**	**(3)**
Loss ratio (for latest year)	**+20%**	**67**	**37**	**(37)**	**(29)**
Claims handling expenses	**+20%**	**2**	**2**	**(2)**	**(1)**
2020					
Provision for adverse deviation margin	+20%	8	4	(4)	(3)
Loss ratio (for latest year)	+20%	78	37	(37)	(30)
Claims handling expenses	+20%	2	2	(2)	(1)

The method used and significant assumptions made for deriving sensitivity information above did not change from the previous year.

Market and credit risk

Market risk arises when market values of assets and liabilities are adversely affected by changes in financial markets. Changes in interest rates, foreign exchange rates, equity prices and prices of alternative investment assets can impact present and future earnings of the insurance operations, as well as shareholders' equity.

GEH Group is exposed to market risk through its investment portfolios, as well as in the mismatches between assets and liabilities of the Insurance Funds. In the case of the third-party funds managed by its asset management subsidiary, Lion Global Investors Limited, investment risks are borne by investors and GEH Group does not assume any liability in the event of occurrence of loss or write-down in market valuations.

GEH Group ALC, Group IC and local ALCs actively manage market risks through the setting of investment policies and asset allocations, approving portfolio construction, risk measurement methodologies, as well as hedging and alternative risk transfer strategies. Investment limits are monitored at various levels to ensure that all investment activities are conducted within GEH Group's risk appetite and in line with GEH Group's management principles and philosophies. Compliance with established limits forms an integral part of the risk governance and financial reporting framework. The approach adopted by GEH Group in managing the various types of risk, including interest rate risk, foreign exchange risk, equity price risk, credit risk, alternative investment risk and liquidity risk, is briefly described below.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Market and credit risk *(continued)*

(a) **Interest rate risk (including asset liability mismatch).** GEH Group is exposed to interest rate risk through (i) investments in fixed income instruments and (ii) policy liabilities in the Insurance Funds. Since the Shareholders' Fund has exposure to investments in fixed income instruments but no exposure to insurance policy liabilities, it will incur economic losses when interest rates rise. Given the long duration of policy liabilities and the uncertainties in the cash flows of Insurance Funds, it is not possible to hold assets with duration that perfectly matches the duration of the policy liabilities. This results in interest rate risk and asset liability mismatch risk, and these risks are managed and monitored by GEH Group ALC and the local ALCs. The Insurance Funds will incur economic losses when interest rates drop as the duration of policy liabilities is generally longer than the duration of fixed income assets.

Under Singapore regulations governed by the MAS, the discount rate used for discounting liability cash flows may include a positive adjustment in the form of Matching Adjustment, or Illiquidity Premium, subject to certain conditions being met. As a result, the Singapore non-participating funds could have losses when the magnitude of the adjustment decreases leading to higher discounted liabilities.

Under Malaysia regulations governed by BNM, liability cash flows with durations less than 15 years are discounted using the spot yield of Malaysia Government Securities (MGS) with matching durations, while liability cash flows with durations of 15 years or more are discounted using the 15 year MGS spot yield. As a result, the Malaysia non-participating fund could have losses when the MGS spot yield decreases.

Managing interest rate benchmark reform

i) Overview
A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBOR) with alternative nearly risk-free rates (referred to as IBOR reform). GEH Group has moderate exposure to IBORs on its financial instruments that will be reformed as part of this market-wide initiative. It was initially expected that most reforms affecting GEH Group will be completed by the end of 2021. However, the transition deadline for USD LIBOR has been extended to end June 2023, hence some instruments referencing this rate may not be transited until this date.

GEH Group anticipates that IBOR reform will have moderate operational, risk management and accounting impacts across all of its business lines. The main risks to which GEH Group is exposed as a result of IBOR reform are operational. For example, the bilateral renegotiation with private debt issuers, updating of contractual terms, updating of systems that use IBOR curves and revision of operational controls related to the reform. Financial risk is predominantly limited to interest rate risk.

GEH Group established a cross-functional IBOR Working Group to manage its transition to alternative rates. The objectives of the IBOR Working Group include evaluating the extent to which fixed income holdings, derivatives and liabilities reference IBOR cash flows, whether such contracts need to be amended as a result of IBOR reform and how to manage communication about IBOR reform with counterparties.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Market and credit risk *(continued)*

(a) Interest rate risk ***(including asset liability mismatch)*** *(continued)*

Managing interest rate benchmark reform *(continued)*

ii) Non-derivative financial assets
GEH Group's IBOR exposures on bonds/ FRNs holdings include SGD Swap Offer Rate (SOR), USD LIBOR, EUR LIBOR and GBP LIBOR primarily at Great Eastern Life Singapore (GELS). GEH Group also has corporate loans holdings indexed to SOR.

The alternative reference for SOR is the Singapore Overnight Rate Average (SORA); for USD LIBOR is the Secured Overnight Financial Rate (SOFR); for EUR LIBOR is the Euro Short-Term Rate (ESTR). Changes to the contractual terms of financial assets indexed to SOR, EUR LIBOR and GBP LIBOR to incorporate new benchmark rates are not yet complete as at 31 December 2021. The transition deadline for USD LIBOR has been extended to end June 2023, hence some instruments referencing this rate may not be transited until this date.

GEH Group monitors the progress of transition from IBORs to new benchmark rates by reviewing the total amounts of contracts that have yet to transition to an alternative benchmark rate and the amounts of such contracts that include an appropriate fallback clause. GEH Group considers that a contract is not yet transitioned to an alternative benchmark rate when interest under the contract is indexed to a benchmark rate that is still subject to IBOR reform, even if it includes a fallback clause that deals with the cessation of the existing IBOR (referred to as an unreformed contract).

The following table shows the total amounts of unreformed non-derivative financial assets as at 31 December 2021. The amounts of trading assets and investment securities are shown at their carrying amounts.

$ million	SOR	USD LIBOR	Others	Total
Gross carrying amount				
Debt securities	995	1,380	276	2,651
Corporate loan	189	–	–	189

iii) Non-derivative financial liabilities
GEH Group does not have any floating-rate liabilities which would be impacted by the IBOR reform.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Market and credit risk *(continued)*

(a) **Interest rate risk** ***(including asset liability mismatch)*** *(continued)*

Managing interest rate benchmark reform *(continued)*

iv) Derivatives and hedge accounting
GEH Group holds derivatives for risk management and efficient portfolio management purposes, and are not designated in hedging relationships. The instruments used principally include interest rate, cross-currency, and total return swaps, which have floating legs that are indexed to various IBORs. Typically, derivative transactions that reference interest rate benchmarks incorporate standard terms such as the 2006 ISDA Definitions published by ISDA. ISDA has reviewed such definitions in light of IBOR reform and issued an IBOR fallback protocol on 23 October 2020 and a supplement to amend the 2006 ISDA Definitions effective 25 January 2021. This sets out how the amendments to new alternative benchmark rates (e.g. SORA, SOFR) in the 2006 ISDA Definitions will be accomplished. The effect of the supplement is to create fallback provisions in derivatives that describe what floating rates will apply on the permanent discontinuation of certain key IBORs or on ISDA declaring a non-representative determination of an IBOR. GEH Group has adhered to the protocol to implement the fallbacks to derivative contracts that were entered into before the effective date of the supplement, where the existing derivative counterparties have also adhered to the protocol. All new derivative contracts entered into on or after the effective date of the supplement that reference the 2006 ISDA Definitions will also include the fallback.

The following table shows the total amounts of unreformed derivative instruments as at 31 December 2021. For cross-currency swaps, GEH Group used the notional amount of the receive leg of the swap. GEH Group expects both legs of cross-currency swaps to be reformed simultaneously.

$ million	SOR	USD LIBOR	Total
Notional amount			
Derivatives	330	21	351

(b) **Foreign exchange risk**. The foreign exchange risk inherent in foreign currency fixed income portfolio is typically hedged using currency forwards and swaps wherever practical and cost-effective. Foreign exchange instruments are also used for efficient portfolio management.

The SGD and MYR positions predominately arose from the entities within GEH Group with the same respective functional currencies. GEH Group has no significant concentration of foreign exchange risk.

Limits are set on the total amount of foreign currency (net of liabilities) to cap GEH Group's foreign exchange risk.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Market and credit risk *(continued)*

(b) Foreign exchange risk *(continued)*

The tables below show the foreign exchange position of GEH Group's financial and insurance-related assets and liabilities by major currencies.

$ million	SGD	MYR	USD	Others	Total
2021					
Financial assets at FVOCI					
Equity securities	479	251	259	1,213	2,202
Debt securities	2,020	1,077	3,645	751	7,493
Financial assets at FVTPL					
Equity securities	1,118	7,123	1,015	4,420	13,676
Debt securities	18,220	15,034	13,894	5,016	52,164
Other investments	7,502	236	6,850	2,097	16,685
Financial assets at amortised cost					
Debt securities	–	–	242	–	242
Derivative financial assets	333	1	17	19	370
Loans	323	250	–	19	592
Reinsurers' share of insurance contract liabilities	343	410	120	14	887
Insurance receivables	1,030	2,267	3	36	3,336
Other debtors	364	231	208	43	846
Cash and cash equivalents	6,429	1,630	668	391	9,118
Financial and insurance-related assets	38,161	28,510	26,921	14,019	107,611
Other creditors	1,328	397	57	29	1,811
Insurance payables	2,172	4,433	2	14	6,621
Derivative financial liabilities	12	1	51	47	111
Provision for agents' retirement benefits	#	291	–	–	291
Insurance contract liabilities	61,296	22,402	3,267	674	87,639
Financial and insurance-related liabilities	64,808	27,524	3,377	764	96,473
2020					
Financial assets at FVOCI					
Equity securities	392	308	142	1,180	2,022
Debt securities	2,707	1,006	2,449	389	6,551
Financial assets at FVTPL					
Equity securities [1]	1,291	7,768	1,402	3,179	13,640
Debt securities	17,952	14,873	11,504	5,793	50,122
Other investments [1]	5,943	151	5,728	2,077	13,899
Financial assets at amortised cost					
Debt securities	–	–	159	14	173
Derivative financial assets	468	3	249	44	764
Loans	587	282	2	20	891
Reinsurers' share of insurance contract liabilities	1,946	338	191	13	2,488
Insurance receivables	1,045	2,005	8	15	3,073
Other debtors	424	283	201	76	984
Cash and cash equivalents	7,408	1,387	516	339	9,650
Financial and insurance-related assets	40,163	28,404	22,551	13,139	104,257
Other creditors	1,899	460	181	26	2,566
Insurance payables	1,819	4,010	3	10	5,842
Derivative financial liabilities	30	–	29	214	273
Provision for agents' retirement benefits	–	296	–	–	296
Debt issued	400	–	–	–	400
Insurance contract liabilities	58,145	21,942	2,690	669	83,446
Financial and insurance-related liabilities	62,293	26,708	2,903	919	92,823

[1] Comparatives have been reclassified to conform to current year's presentation.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Market and credit risk *(continued)*

(c) **Equity price risk.** Exposure to equity price risk exists in investment assets through direct equity, equity derivatives and fund investments, where GEH Group, through investments, bears all or most of the equity volatility and investment risks. Equity price risk also exists in investment-linked products where the revenues of the insurance operations are linked to the performances of underlying equity funds since this has an impact on the level of fees earned. Limits are set for single security holdings as a percentage of total equity holdings.

(d) **Credit spread risk**. Exposure to credit spread risk exists in GEH Group's bond investments. Credit spread is the difference between the quoted yields of a credit and a government bond of the same maturity. Credit spreads widen when the default risk of credit bonds increases. Hence, widening credit spreads will result in mark-to-market losses in GEH Group's bond portfolio.

(e) **Alternative investment risk**. GEH Group is exposed to alternative investment risk through investments in real estate that it owns in Singapore and Malaysia, and through real estate funds, private equities, infrastructure and hedge funds. A monitoring process is established to manage foreign exchange, country and manager concentration risks. This process and the acquisition or divestment of alternative investments are reviewed and approved by RMC and GEH Group IC.

(f) **Commodity risk**. GEH Group does not have any exposure to commodity risk.

(g) **Liquidity risk**. Liquidity risk arises when GEH Group is unable to meet its cash flow demands, or if the assets backing the liabilities cannot be sold quickly enough without incurring significant losses. For an insurance company, the greatest liquidity needs typically arise from its insurance liabilities. Demands for funds can usually be met through ongoing normal operations via premiums received, sale of assets or borrowings. Unexpected demands for liquidity may be triggered by surrender of insurance policies due to negative publicity, deterioration of the economy, adverse news on other companies in the same or similar lines of business, unanticipated policy claims, or other unexpected cash demands from policyholders.

Expected liquidity demands are managed through a combination of treasury, investment and asset-liability management practices, which are monitored on an ongoing basis. Actual and projected cash inflows and outflows are regularly monitored, and a reasonable amount of liquid assets are maintained at all times. The projected cash flows from the in-force insurance policy contract liabilities consist of renewal premiums, commissions, claims, maturities and surrenders. Renewal premiums, commissions, claims and maturities are generally stable and predictable. Surrenders can be more uncertain although these have been quite stable over the past several years.

Unexpected liquidity demands are mitigated through product design, risk diversification, investment strategies and systematic monitoring. Surrender penalty in insurance contracts also protects GEH Group from losses due to unexpected surrender trends and reduces the sensitivity of surrenders to changes in interest rates.

The following tables show the expected recovery or settlement of financial and insurance-related assets and maturity profile of GEH Group's financial and insurance-related liabilities which are presented based on contractual undiscounted cash flows, except for insurance contract liabilities which are presented based on discounted cash outflows resulting from recognised liabilities.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Market and credit risk *(continued)*

(g) Liquidity risk *(continued)*

$ million	Less than 1 year	1 to 5 years	Over 5 years	No specific maturity	Total
2021					
Financial assets at FVOCI					
Equity securities	–	–	–	2,202	2,202
Debt securities	497	2,668	6,889	–	10,054
Financial assets at FVTPL					
Equity securities	–	–	–	13,676	13,676
Debt securities	3,937	17,427	44,443	2,882	68,689
Other investments	–	–	–	16,685	16,685
Financial assets at amortised cost					
Debt securities	12	47	441	–	500
Derivative financial assets	221	149	–	–	370
Loans	212	333	125	–	670
Reinsurers' share of insurance contract liabilities	548	258	81	–	887
Insurance receivables	611	348	1	2,376	3,336
Other debtors	845	1	–	#	846
Cash and cash equivalents	9,118	–	–	–	9,118
Financial and insurance-related assets	16,001	21,231	51,980	37,821	127,033
Other creditors	1,809	2	#	–	1,811
Insurance payables	6,614	7	–	–	6,621
Derivative financial liabilities	74	37	–	–	111
Provision for agents' retirement benefits	134	58	99	–	291
Insurance contract liabilities	16,024	20,018	51,590	7	87,639
Financial and insurance-related liabilities	24,655	20,122	51,689	7	96,473
2020					
Financial assets at FVOCI					
Equity securities	–	–	–	2,022	2,022
Debt securities	280	2,346	5,950	–	8,576
Financial assets at FVTPL					
Equity securities [1]	–	–	–	13,640	13,640
Debt securities	3,460	14,738	44,211	1,852	64,261
Other investments [1]	–	–	–	13,899	13,899
Financial assets at amortised cost					
Debt securities	9	36	297	–	342
Derivative financial assets	584	80	100	–	764
Loans	201	623	181	–	1,005
Reinsurers' share of insurance contract liabilities	1,933	389	166	–	2,488
Insurance receivables	640	2	20	2,411	3,073
Other debtors	983	1	–	#	984
Cash and cash equivalents	9,650	–	–	–	9,650
Financial and insurance-related assets	17,740	18,215	50,925	33,824	120,704
Other creditors	2,550	7	–	#	2,557
Insurance payables	5,816	7	–	19	5,842
Derivative financial liabilities	190	83	#	–	273
Provision for agents' retirement benefits	127	61	108	–	296
Debt issued	409	–	–	–	409
Insurance contract liabilities	16,833	17,227	49,376	10	83,446
Financial and insurance-related liabilities	25,925	17,385	49,484	29	92,823

[1] Comparatives have been reclassified to conform to current year's presentation.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Market and credit risk *(continued)*

(g) Liquidity risk *(continued)*

The following tables show the current/non-current classification of assets and liabilities:

$ million	Current*	Non-current	Unit-linked	Total
2021				
Cash and cash equivalents	**8,606**	–	**512**	**9,118**
Other debtors	**815**	**39**	**50**	**904**
Insurance receivables	**1,822**	**1,498**	**16**	**3,336**
Reinsurers' share of insurance contract liabilities	**538**	**333**	**16**	**887**
Loans	**194**	**398**	–	**592**
Derivative financial assets	**212**	**149**	**9**	**370**
Investments	**11,616**	**71,825**	**9,021**	**92,462**
Associates	–	**95**	–	**95**
Intangible assets	**35**	**160**	–	**195**
Property, plant and equipment	**67**	**480**	–	**547**
Investment properties	–	**1,884**	–	**1,884**
Assets	**23,905**	**76,861**	**9,624**	**110,390**
Insurance payables	**6,594**	**7**	**20**	**6,621**
Other creditors	**1,780**	**76**	**69**	**1,925**
Derivative financial liabilities	**70**	**36**	**5**	**111**
Income tax payable	**329**	–	–	**329**
Provision for agents' retirement benefits	**22**	**264**	**5**	**291**
Deferred tax	**59**	**2,513**	**7**	**2,579**
Insurance contract liabilities	**6,512**	**72,193**	**9,693**	**88,398**
Liabilities	**15,366**	**75,089**	**9,799**	**100,254**
2020				
Cash and cash equivalents	9,262	–	388	9,650
Other debtors	862	28	138	1,028
Insurance receivables	1,609	1,464	–	3,073
Reinsurers' share of insurance contract liabilities	1,926	548	14	2,488
Loans	142	749	–	891
Derivative financial assets	577	179	8	764
Investments	12,929	65,530	7,948	86,407
Associates	–	97	–	97
Intangible assets	–	31	–	31
Property, plant and equipment	68	664	–	732
Investment properties	–	1,767	–	1,767
Assets	27,375	71,057	8,496	106,928
Insurance payables	5,835	7	–	5,842
Other creditors	2,228	90	387	2,705
Derivative financial liabilities	184	81	8	273
Income tax payable	226	–	–	226
Provision for agents' retirement benefits	25	271	–	296
Deferred tax	27	1,444	14	1,485
Debt issued	400	–	–	400
Insurance contract liabilities	8,168	69,231	8,828	86,227
Liabilities	17,093	71,124	9,237	97,454

(1) * represents expected recovery or settlement within 12 months from the reporting date.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Market and credit risk *(continued)*

(h) Credit risk

Credit risk is the risk of loss arising from an obligor failing to discharge an obligation. GEH Group is mainly exposed to credit risk through (i) investments in cash and bonds, (ii) corporate lending activities and (iii) exposure to counterparty's credit in derivative transactions and reinsurance contracts. For all three types of exposures, financial loss may materialise as a result of a downgrading of credit rating or credit default by the borrower or counterparty.

The task of evaluating and monitoring credit risk is undertaken by the local ALCs. GEH group wide credit risk is managed by GEH Group ALC. GEH Group establishes internal limits by issuer and counterparty according to their investment credit rating which are actively monitored to manage the credit and concentration risk, and are reviewed on a regular basis. The creditworthiness of reinsurers is assessed on an annual basis by reviewing their financial strength through published credit ratings and other publicly available information.

Reinsurance is placed with counterparties that have a good credit rating and concentration of risk is mitigated through counterparty limits that are reviewed and approved on an annual basis.

Credit risk arising from customer balances incurred on non-payment of premiums or contributions will only persist during the grace period specified in the policy document or trust deed until expiry, when the policy is either paid up or terminated.

GEH Group issues unit-linked investment policies in which the policyholder bears the investment risk on the assets held in the unit-linked funds as the policy benefits are directly linked to the value of the assets in the fund. Therefore, GEH Group has no material credit risk or market risk on unit-linked financial assets.

The loans in GEH Group's portfolio are generally secured by collateral, with a maximum loan-to-value ratio of 70%. The amount and type of collateral required depend on an assessment of the credit risk of the counterparty. Guidelines on the collateral eligibility have been established, and all collateral are revalued on a regular basis. GEH management monitors the market values of the collateral, requests additional collateral when needed and performs an impairment valuation when applicable. The fair values of collateral, held by GEH Group as lender, for which it is entitled to sell or pledge in the event of default is as tabulated below:

		2021		2020	
$ million	**Type of collateral**	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Policy loans	Cash value of policies	**2,356**	**5,115**	2,387	5,024
Secured loans	Properties	**395**	**812**	643	1,217
Secured loans	Others	**#**	**1**	1	1
Derivatives	Cash	**98**	**98**	–	–
		2,849	**6,026**	3,031	6,242

There were no securities lending arrangements as at 31 December 2021 (2020: nil).

As at the reporting date, no investments (2020: nil) were placed as collateral for currency hedging purposes.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Market and credit risk *(continued)*

(h) Credit risk *(continued)*

The following table sets out information about the credit quality of loans and debt securities measured at amortised cost and debt securities measured at FVOCI. The maximum exposure is shown on a gross basis, before the effect of mitigation through the use of master netting or collateral agreements and the use of credit derivatives.

$ million	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
2021				
Loans at amortised cost				
Investment grade* (BBB to AAA)	479	122	–	601
Not rated	2	–	2	4
	481	122	2	605
Loss allowance	(1)	(10)	(2)	(13)
Carrying amount	480	112	–	592
Debt securities at amortised cost				
Investment grade* (BBB to AAA)	244	–	–	244
Loss allowance	(2)	–	–	(2)
Carrying amount	242	–	–	242
Debt securities at FVOCI				
Investment grade* (BBB to AAA)	6,067	56	–	6,123
Non investment grade* (C to BB)	–	10	3	13
Not rated	1,357	–	–	1,357
	7,424	66	3	7,493
2020				
Loans at amortised cost				
Investment grade* (BBB to AAA)	662	125	–	787
Non investment grade* (C to BB)	–	–	147	147
Not rated	1	–	2	3
	663	125	149	937
Loss allowance	(1)	(4)	(42)	(47)
Carrying amount	662	121	107	890
Debt securities at amortised cost				
Investment grade* (BBB to AAA)	169	–	–	169
Non investment grade* (C to BB)	5	–	–	5
	174	–	–	174
Loss allowance	(1)	–	–	(1)
Carrying amount	173	–	–	173
Debt securities at FVOCI				
Investment grade* (BBB to AAA)	6,238	34	–	6,272
Non investment grade* (C to BB)	204	6	2	212
Not rated	67	–	–	67
	6,509	40	2	6,551

(1) * Based on internal ratings grades which are equivalent to grades of external rating agencies.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Market and credit risk *(continued)*

(h) Credit risk *(continued)*

The following table sets out the credit analysis for financial assets that are not subjected to ECL.

$ million	Investment grade* (BBB to AAA)	Non investment grade* (C to BB)	Not rated	Unit-linked	Not subject to credit risk	Total carrying amount
2021						
Financial assets at FVOCI						
Equity securities	–	–	–	–	2,202	2,202
Financial assets at FVTPL						
Equity securities	–	–	–	3,664	10,012	13,676
Debt securities	43,171	2,276	5,141	1,576	–	52,164
Other investments	–	–	–	3,781	12,904	16,685
Derivative financial assets	350	–	11	9	–	370
Reinsurers' share of insurance contract liabilities	–	–	870	17	–	887
Insurance receivables	620	–	2,700	16	–	3,336
Other debtors	6	1	792	47	–	846
Cash and cash equivalents	8,491	–	116	511	–	9,118
	52,638	2,277	9,630	9,621	25,118	99,284
2020						
Financial assets at FVOCI						
Equity securities	–	–	–	–	2,022	2,022
Financial assets at FVTPL						
Equity securities [2]	–	–	–	3,305	10,335	13,640
Debt securities	40,846	2,024	5,645	1,607	–	50,122
Other investments [2]	–	–	–	3,404	10,495	13,899
Derivative financial assets	747	–	10	7	–	764
Reinsurers' share of insurance contract liabilities	–	–	2,488	–	–	2,488
Insurance receivables	7	–	3,058	8	–	3,073
Other debtors	5	1	721	257	–	984
Cash and cash equivalents	9,129	–	97	424	–	9,650
	50,734	2,025	12,019	9,012	22,852	96,642

[1] * Based on internal ratings grades which are equivalent to grades of external rating agencies.
[2] Comparatives have been reclassified to conform to current year's presentation.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Market and credit risk *(continued)*

(h) Credit risk *(continued)*

Amounts arising from ECL

ECL provisioning is the setting of allowance for credit-impaired and non-credit-impaired exposure in accordance to SFRS (I) 9 through forward-looking ECL models.

Measurement of ECL - Explanation of inputs, assumptions and estimation techniques
The key inputs into the measurement of ECL are the following variables:
- probability of default (PD);
- loss given default (LGD); and
- exposure at default (EAD).

These parameters are derived from statistical models internally developed by GEH Group.

PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation. PD estimates are derived from PD models that incorporate both quantitative and qualitative inputs, which are in turn derived from internal and external compiled data.

LGD is the magnitude of the likely loss incurred during a default. LGD is expressed as a percentage of loss per unit of exposure at the time of default and represents an estimate of the economic loss in the event of the default of the counterparty. Factors in determining LGDs include claim seniority, availability and quality of collateral, legal enforceability processes in the jurisdiction and industry of borrower and prevailing market conditions. They are estimates at a certain date and are derived using statistical models. These statistical models are developed using internally compiled data and incorporate both quantitative and qualitative factors. The model outputs are adjusted to reflect forward-looking information whenever appropriate.

EAD represents the expected exposure in the event of a default. GEH Group derives the EAD based on the current exposure to the counterparty and potential future exposure.

The ECL is determined by projecting PD, LGD and EAD for each individual exposure. The ECLs are first determined from the product of these three components, which are then adjusted for forward-looking information. The ECLs are finally discounted to the reporting date. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

Significant increase in credit risk
To assess whether there is a significant increase in credit risk, GEH Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. GEH Group considers available reasonable and supportive forward-looking information, which includes the following indicators:
- Internal credit rating;
- External credit rating;
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations.

A movement of an obligor's credit rating along the rating scale represents a change in the credit risk as measured by the change in PD.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Market and credit risk *(continued)*

(h) Credit risk *(continued)*

Significant increase in credit risk *(continued)*
The criteria for assessing whether credit risk has increased significantly will be determined by both quantitative changes in 12M PDs and qualitative factors. The credit risk of an obligor is deemed to have increased significantly since initial recognition if, based on GEH Group's quantitative model, the 12M PD is determined to have more than doubled since origination, except when the obligor remains within the investment grade ratings.

Using its expert credit judgement and, where possible, relevant historical experience, GEH Group may determine that an obligor has undergone a significant increase in credit risk based on qualitative factors that are indicative of such and whose effect may not otherwise be fully reflected in its quantitative analysis on a timely basis. GEH Group uses the watch-list as an additional trigger for the identification of significant increase in credit risk.

GEH Group considers an obligor to have relatively lower credit risk if it is of investment grade quality, taking into account both internal and external credit ratings.

Credit risk grades
GEH Group assigns each obligor to a credit risk grade that reflects the PD of the obligor. Credit risk grades are established based on qualitative and quantitative factors that are indicative of default risk. These factors vary depending on the nature of the exposure and the type of counterparty.

Credit risk grades are defined and calibrated such that the default risk increases as credit risk deteriorates. Each exposure is assigned with a credit risk grade at initial recognition, based on available information on the borrower. Obligors are subject to ongoing monitoring and review, and may be assigned with new credit risk grades that better reflects their creditworthiness. The monitoring typically involves the use of information obtained during periodic review, including published financial statements, external rating (where available), as well as qualitative information on an obligor's industry, competitive positioning, management, financial policy and financial flexibility.

Definition of default
GEH Group considers a financial asset to be in default by assessing the following criteria:

Quantitative criteria
For insurance receivables, the obligor is said to be in default if it fails to make contractual payments within 6 months after it falls due (i.e. after expiration of the maximum granted credit terms). For bonds and loans, the obligor is said to be in default if it fails to meet its contractual obligation and there are non-payments on another debt obligation of the same issuer to GEH Group.

Qualitative criteria
The counterparty is in bankruptcy or has indications of potentially significant financial difficulty such as lawsuits or similar actions that threaten the financial viability of the counterparty; distressed exchange, merger or amalgamation without assumption or breach of material loan covenants not rectified within a given timeframe, restructuring with expected principal haircut or a breach in material loan covenant that is not rectified within given timeframe.

The criteria above have been applied to all financial instruments held by GEH Group and are consistent with the definition of default used for credit risk management purposes. The default definition has been applied consistently to model the PD, EAD and LGD throughout GEH Group's expected loss calculations.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Market and credit risk *(continued)*

(h) Credit risk *(continued)*

Incorporating of forward-looking information

GEH Group incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its ECL measurement. GEH Group has performed historical analysis and identified key economic variables impacting credit risk and ECLs for each portfolio.

These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. Expert judgement has also been applied in this process. Forecasts of these economic variables (the base economic scenario) are obtained from publicly available economic databases published on a quarterly basis and provide the best estimate view of the economy over the next four to five years, and based on such information to project the economic variables for the full remaining lifetime of each instrument, a mean reversion approach is used. The impact of these economic variables on PDs, EADs and LGDs has been determined via regression analyses.

In addition to the base economic scenario, GEH Group uses multiple scenarios to ensure non-linear risks are captured. The number of scenarios and their attributes are reviewed at each reporting date. At 31 December 2021, for all portfolios, GEH Group concluded that two particular scenarios are capable of capturing non-linear risks inherent in all portfolios. The scenario weightings are determined by expert credit judgement, taking into account the range of possible outcomes the chosen scenario is representative of. The assessment of significant increase in credit risk is performed using the 12M PD under each of the scenarios multiplied by the associated scenario weights. This determines whether the whole financial instrument is in Stage 1, 2 or 3, and hence whether 12M or lifetime ECL should be applied. Following this assessment, GEH Group measures ECL as either a probability-weighted 12M ECL (Stage 1), or a probability-weighted lifetime ECL (Stages 2 and 3). These probability-weighted ECLs are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting (as opposed to weighting the inputs).

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of uncertainty and the actual outcomes may be significantly different from projected outcomes. GEH Group considers these forecasts being representative of the best estimates of the possible outcomes and has analysed the non-linear risks and asymmetries within the various portfolios of GEH Group to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

The sensitivity of the ECL to the economic variable assumptions affecting the calculation of ECL was not material to GEH Group for the year ended 31 December 2021.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Market and credit risk *(continued)*

(h) Credit risk *(continued)*

Loss allowance

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

$ million	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
Loans at amortised cost				
At 1 January 2020	0.7	4.6	42.3	47.6
Transfer to 12-month ECL	0.5	(0.5)	–	–
Decrease in losses due to transfer	(0.3)	–	–	(0.3)
Net remeasurement of loss allowance	(0.1)	(0.6)	–	(0.7)
New financial assets purchased	0.1	1.1	–	1.2
Financial assets that have been derecognised	(0.2)	(0.3)	–	(0.5)
Changes in models/risk parameters	0.7	(0.8)	–	(0.1)
At 31 December 2020/1 January 2021	**1.4**	**3.5**	**42.3**	**47.2**
Net remeasurement of loss allowance	**0.3**	**0.8**	**(4.0)**	**(2.9)**
New financial assets purchased	**0.1**	**–**	**–**	**0.1**
Financial assets that have been derecognised	**(0.3)**	**–**	**–**	**(0.3)**
Write-offs	**–**	**–**	**(36.0)**	**(36.0)**
Changes in models/risk parameters	**(0.6)**	**5.2**	**–**	**4.6**
At 31 December 2021	**0.9**	**9.5**	**2.3**	**12.7**
Debt securities at amortised cost				
At 1 January 2020	0.7	–	–	0.7
New financial assets purchased	0.2	–	–	0.2
Changes in models/risk parameters	0.4	–	–	0.4
At 31 December 2020/1 January 2021	**1.3**	**–**	**–**	**1.3**
Net remeasurement of loss allowance	**(0.4)**	**–**	**–**	**(0.4)**
New financial assets purchased	**0.3**	**–**	**–**	**0.3**
Changes in models/risk parameters	**0.5**	**–**	**–**	**0.5**
At 31 December 2021	**1.7**	**–**	**–**	**1.7**
Debt securities at FVOCI				
At 1 January 2020	5.8	1.6	2.8	10.2
Transfer to 12-month ECL	0.1	(0.1)	–	–
(Decrease)/increase in losses due to transfer	(0.2)	0.2	–	–
Net remeasurement of loss allowance	0.2	(0.2)	–	–
New financial assets purchased	5.7	–	–	5.7
Financial assets that have been derecognised	(6.7)	(0.2)	–	(6.9)
Changes in models/risk parameters	5.9	(0.1)	–	5.8
At 31 December 2020/1 January 2021	**10.8**	**1.2**	**2.8**	**14.8**
Transfer to 12-month ECL	**(0.2)**	**0.2**	**–**	**–**
Increase in losses due to transfer	**–**	**1.0**	**–**	**1.0**
Net remeasurement of loss allowance	**(0.4)**	**–**	**–**	**(0.4)**
New financial assets purchased	**2.7**	**–**	**–**	**2.7**
Financial assets that have been derecognised	**(2.5)**	**(0.1)**	**–**	**(2.6)**
Changes in models/risk parameters	**(3.2)**	**2.1**	**–**	**(1.1)**
At 31 December 2021	**7.2**	**4.4**	**2.8**	**14.4**
Increase/(decrease) in provision for impairment of financial assets for the year				
31 December 2021	**(3.7)**	**9.2**	**(4.0)**	**1.5**
31 December 2020	6.3	(1.5)	–	4.8

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Market and credit risk *(continued)*

(h) Credit risk *(continued)*

Loss allowance *(continued)*
The carrying amount of outstanding premiums as at 31 December 2021 is $663.3 million (2020: $563.7 million). The ECL relating to outstanding premiums as at 31 December 2021 was $8.0 million (2020: $8.5 million) for GEH Group. The changes in credit loss recognised in the income statement during the year was $0.5 million (2020: $4.2 million).

The changes in risk parameters may consist of management overlays, including but not limited to, the application of judgement to:
i) key economic variables including GDP growth projections;
ii) scenario weightings;
iii) obligor's credit rating to reflect a deterioration to credit risk;
iv) take into consideration government relief programmes; or
v) events arisen after post-model-run that require adjustment.

Loss allowances are reviewed quarterly, taking into consideration the adequacy of key variables.

(i) Concentration risk

An important element of managing both market and credit risks is to actively manage concentration to specific issuers, counterparties, industry sectors, countries and currencies. Both internal and regulatory limits are put in place to manage concentration risk. These limits are reviewed on a regular basis by the respective management committees. GEH Group's exposures are within the concentration limits set by the respective local regulators.

GEH Group actively manages its investment mix to ensure that there is no significant concentration in market and credit risk.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Market and credit risk *(continued)*

(j) Sensitivity analysis on financial risks

The sensitivity analysis below shows the impact on GEH Group's net profit after tax by applying possible shocks to each key variables, with all other variables constant. Co-movement of key variables can significantly affect the fair values and/or amortised cost of financial assets. To demonstrate the impact due to changes in each key variable, the variables are changed individually.

The impact on net profit after tax represents the effect caused by changes in fair value of financial assets whose fair values are recorded in the income statement, and changes in valuation of insurance contract liabilities. The equity sensitivity represents the impact on net profit after tax and the effect on changes in fair value of financial assets measured at FVOCI.

Market risk sensitivity analysis

	Impact on profit after tax		Impact on equity	
$ million	**2021**	**2020**	**2021**	**2020**
Change in variables:				
(a) Interest rate [2]				
+50 basis points	**50.8**	105.7	**(192.6)**	(120.1)
–50 basis points	**(117.5)**	(179.8)	**144.7**	63.8
(b) Foreign currency				
5% increase in market value of MYR denominated assets	**0.1**	0.1	**0.1**	0.1
5% decrease in market value of MYR denominated assets	**(0.1)**	(0.1)	**(0.1)**	(0.1)
5% increase in market value of USD denominated assets	**0.7**	(0.1)	**0.7**	(0.1)
5% decrease in market value of USD denominated assets	**(0.7)**	0.1	**(0.7)**	0.1
(c) Equity [2]				
20% increase in market indices				
STI	**51.3**	49.4	**129.9**	113.6
KLCI	**–**	0.1	**34.6**	40.9
20% decrease in market indices				
STI	**(51.3)**	(49.4)	**(129.9)**	(113.6)
KLCI	**–**	(0.1)	**(34.6)**	(40.9)
(d) Credit [2]				
Spread +100 basis points	**(165.2)**	(112.0)	**(487.3)**	(436.8)
Spread –100 basis points	**208.4**	140.4	**583.6**	520.0
(e) Alternative investments [1] [2]				
10% increase in market value of all alternative investments	**72.1**	74.2	**73.9**	76.0
10% decrease in market value of all alternative investments	**(72.1)**	(74.2)	**(73.9)**	(76.0)

[1] Alternative investments comprise investments in real estate, private equity, infrastructure and hedge funds.
[2] Comparatives have been reclassified to conform to current year's presentation.

The method for deriving sensitivity information and significant variables did not change from the previous year.

38. Risk management *(continued)*

38.4 Insurance-related risk management *(continued)*

Operational and compliance risk

Operational risk is an event or action that may potentially impact partly or completely the achievement of the organisation's objectives resulting from inadequate or failed internal processes and systems, human factors, or external events.

Compliance risk is any event or action that may potentially impact partly or completely the achievement of the organisation's objectives, as a result of its failure to comply with the following applicable laws, regulations and standards:

- local laws, regulations and rules governing licensed activities undertaken by GEH Group;
- foreign laws, regulations and rules that have extraterritorial jurisdiction over GEH Group's licensed activities;
- codes of practice promoted by industry associations of which GEH Group are members of; and
- any other applicable regulations which do not specifically govern the licensed activities undertaken by GEH Group but can expose the organisation to legal, regulatory or reputational loss.

The day-to-day management of operational and compliance risk is through the maintenance of comprehensive internal control frameworks, supported by an infrastructure of systems and procedures to monitor processes and transactions. GMC reviews operational and compliance issues on a GEH Group basis at its monthly meetings while local level issues are managed and monitored by the local SMTs. GEH Group Internal Audit team reviews the systems of internal controls to assess their ongoing relevance and effectiveness, and reports at least quarterly to GEH Group Audit Committee.

Technology, information and cyber risks

Technology risk is defined as risk related to any potential adverse outcome, damage, loss, disruption, violation, system/hardware failure, capacity deficiency arising from the use of technologies such as electronic hardware/devices, software, online networks and telecommunications systems.

Information risk is defined as risk related to confidentiality, integrity and availability of information (in physical or digital form).

Cyber risk is defined as risk related to acts perpetrated by malicious threat actors including internal sabotage, espionage, malicious attacks, hacking incidents, fraudulent conduct using information and communication technologies.

GEH Group adopts a risk based approach in managing technology, information and cyber risks relating to cyber-attacks, data loss/leakage, deficiency in change management, emerging technology, inadequate vendor management, inferior system acquisition and development, network security vulnerability, privilege access misuse, system security vulnerability, system unavailability and technology obsolescence. Key risk indicators related to technology, information and cyber risks are reported to GEH Group Board on a regular basis. Independent assessment is performed by GEH Group Internal Audit for its adequacy and effectiveness.

39. Financial assets and financial liabilities classification

	GROUP					
$ million	Mandatorily measured at FVTPL	Designated as FVTPL	Amortised cost	FVOCI	Insurance contracts	Total
2021						
Cash and placements with central banks	–	–	27,919	–	–	27,919
Singapore government treasury bills and securities	1,230	–	–	9,882	–	11,112
Other government treasury bills and securities	2,692	10	347	23,110	–	26,159
Placements with and loans to banks	758	–	17,595	7,109	–	25,462
Loans to customers	47	–	286,232	2	–	286,281
Debt securities	4,084	22	331	23,608	–	28,045
Equity securities and investment funds	4,596	–	–	1,374	–	5,970
Debt and equity securities	8,680	22	331	24,982	–	34,015
Derivative receivables	9,267	–	–	–	–	9,267
Other assets	–	–	5,270	–	467	5,737
Amounts due from associates	–	–	40	–	–	40
Financial assets	22,674	32	337,734	65,085	467	425,992
Non-financial assets						16,099
						442,091
Life insurance fund financial assets	34,381	46,544	11,262	5,995	–	98,182
Life insurance fund non-financial assets						1,914
Total assets						542,187
Deposits of non-bank customers	–	–	342,395	–	–	342,395
Deposits and balances of banks	–	–	8,239	–	–	8,239
Trading portfolio liabilities	393	–	–	–	–	393
Derivative payables	9,070	–	–	–	–	9,070
Other liabilities [1]	–	–	6,089	–	788	6,877
Debt issued	–	1,092	19,023	–	–	20,115
Financial liabilities	9,463	1,092	375,746	–	788	387,089
Non-financial liabilities						4,454
						391,543
Life insurance fund financial liabilities	109	–	8,595	–	86,966	95,670
Life insurance fund non-financial liabilities						636
Total liabilities						487,849

[1] Other liabilities include amounts due to associates.

39. Financial assets and financial liabilities classification *(continued)*

	GROUP					
$ million	**Mandatorily measured at FVTPL**	**Designated as FVTPL**	**Amortised cost**	**FVOCI**	**Insurance contracts**	**Total**
2020						
Cash and placements with central banks	–	–	26,525	–	–	26,525
Singapore government treasury bills and securities	1,139	–	–	9,489	–	10,628
Other government treasury bills and securities	3,365	14	378	18,906	–	22,663
Placements with and loans to banks	1,231	–	19,716	11,869	–	32,816
Loans to customers	89	–	263,449	–	–	263,538
Debt securities	3,972	19	387	23,555	–	27,933
Equity securities and investment funds	3,661	–	–	1,549	–	5,210
Debt and equity securities	7,633	19	387	25,104	–	33,143
Derivative receivables	15,223	–	–	–	–	15,223
Other assets	–	–	4,887	–	298	5,185
Amounts due from associates	–	–	41	–	–	41
Financial assets	28,680	33	315,383	65,368	298	409,762
Non-financial assets						14,565
						424,327
Life insurance fund financial assets	31,830	44,457	14,244	4,749	–	95,280
Life insurance fund non-financial assets						1,788
Total assets						521,395
Deposits of non-bank customers	–	–	314,907	–	–	314,907
Deposits and balances of banks	–	–	9,586	–	–	9,586
Trading portfolio liabilities	339	–	–	–	–	339
Derivative payables	15,516	–	–	–	–	15,516
Other liabilities [1]	–	–	7,205	–	605	7,810
Debt issued	–	1,006	23,349	–	–	24,355
Financial liabilities	15,855	1,006	355,047	–	605	372,513
Non-financial liabilities						3,252
						375,765
Life insurance fund financial liabilities	264	–	8,590	–	82,906	91,760
Life insurance fund non-financial liabilities						2,694
Total liabilities						470,219

[1] Other liabilities include amounts due to associates.

39. Financial assets and financial liabilities classification *(continued)*

	BANK				
$ million	**Mandatorily measured at FVTPL**	**Designated as FVTPL**	**Amortised cost**	**FVOCI**	**Total**
2021					
Cash and placements with central banks	–	–	22,863	–	22,863
Singapore government treasury bills and securities	1,130	–	–	8,976	10,106
Other government treasury bills and securities	1,671	–	347	7,692	9,710
Placements with and loans to banks	758	–	11,639	5,119	17,516
Loans to customers	47	–	189,354	–	189,401
Debt securities	3,369	–	331	13,063	16,763
Equity securities and investment funds	3,142	–	–	126	3,268
Debt and equity securities	6,511	–	331	13,189	20,031
Placements with and advances to subsidiaries	–	–	21,930	–	21,930
Derivative receivables	7,812	–	–	–	7,812
Other assets	–	–	2,059	–	2,059
Amounts due from associates	–	–	40	–	40
Financial assets	17,929	–	248,563	34,976	301,468
Non-financial assets					20,754
Total assets					322,222
Deposits of non-bank customers	–	–	221,213	–	221,213
Deposits and balances of banks	–	–	6,708	–	6,708
Deposits and balances of subsidiaries	–	–	28,250	–	28,250
Trading portfolio liabilities	393	–	–	–	393
Derivative payables	7,656	–	–	–	7,656
Other liabilities [1]	–	–	1,769	–	1,769
Debt issued	–	1,092	18,565	–	19,657
Financial liabilities	8,049	1,092	276,505	–	285,646
Non-financial liabilities					979
Total liabilities					286,625

[1] Other liabilities include amounts due to associates.

39. Financial assets and financial liabilities classification *(continued)*

	BANK				
$ million	**Mandatorily measured at FVTPL**	**Designated as FVTPL**	**Amortised cost**	**FVOCI**	**Total**
2020					
Cash and placements with central banks	–	–	20,969	–	20,969
Singapore government treasury bills and securities	1,052	–	–	8,242	9,294
Other government treasury bills and securities	2,264	–	378	6,769	9,411
Placements with and loans to banks	1,231	–	13,963	8,889	24,083
Loans to customers	84	–	170,567	–	170,651
Debt securities	3,179	–	387	12,081	15,647
Equity securities and investment funds	2,066	–	–	131	2,197
Debt and equity securities	5,245	–	387	12,212	17,844
Placements with and advances to subsidiaries	–	–	17,246	–	17,246
Derivative receivables	13,518	–	–	–	13,518
Other assets	–	–	2,886	–	2,886
Amounts due from associates	–	–	41	–	41
Financial assets	23,394	–	226,437	36,112	285,943
Non-financial assets					20,067
Total assets					306,010
Deposits of non-bank customers	–	–	197,745	–	197,745
Deposits and balances of banks	–	–	7,408	–	7,408
Deposits and balances of subsidiaries	–	–	25,793	–	25,793
Trading portfolio liabilities	339	–	–	–	339
Derivative payables	13,768	–	–	–	13,768
Other liabilities [1]	–	–	1,710	–	1,710
Debt issued	–	1,006	22,391	–	23,397
Financial liabilities	14,107	1,006	255,047	–	270,160
Non-financial liabilities					965
Total liabilities					271,125

[1] Other liabilities include amounts due to associates.

40. Interest rate benchmark reform

London Interbank Offered Rate (LIBOR), a key benchmark used in international financial markets is being replaced by Risk Free Rates (RFRs). On 5 March 2021, the Financial Conduct Authority (FCA) confirmed a two-phase discontinuation approach for LIBOR. Specifically, all British pound, Euro, Swiss franc, Japanese yen LIBORs, and the 1-week and 2-month US dollar LIBORs were discontinued after 31 December 2021. All remaining US dollar LIBORs will discontinue after 30 June 2023.

The expected discontinuation of LIBOR directly impacts the viability of the Singapore Dollar Swap Offer Rate (SOR), which relies on US dollar LIBOR in its computation. Singapore Interbank Offered Rate (SIBOR), a key benchmark widely used in retail loans, is similarly disadvantaged by the continued reliance on expert judgement and lack of underlying transactions. The Singapore Overnight Rate Average (SORA) has been identified as the alternative benchmark to SOR and SIBOR. MAS has established an industry-led Steering Committee for SOR and SIBOR Transition to SORA (SC-STS) to oversee the coordination and implementation of the transition efforts.

With a view to ensure a smooth transition from LIBOR to Risk Free Rates (RFR) and from SOR and SIBOR to SORA, the Group established an internal Steering Committee to coordinate the efforts across various business, control, and support functions. Clear timelines and deliverables were established, keeping pace with the industry transition roadmaps and regulatory timelines.

To ensure infrastructure and process readiness, the Group has implemented the necessary system upgrades and modifications. The Group have also assessed the adequacy of provisions relating to the permanent discontinuation of benchmarks in loan documentation, derivatives contracts, debt issuances and other relevant contracts. All contracts impacted by the discontinuation of non-USD LIBORs and the 1-week and 2-month US dollar LIBORs have been remediated or have adequate fallbacks. With regards to SOR and SIBOR transition, the Group expect to achieve full remediation of retail loans and transit a majority of corporate loans and derivatives by end 2022. Appropriate adjustments will be made to reflect the differences between SOR and SORA.

Hedge accounting

The Group uses interest rate swaps and cross currency swaps to hedge its exposure to changes in fair value of fixed rate debt instruments and its foreign currency exposure in a fair value hedge. The Group also uses interest rate swaps to hedge the variability in the cash flows that is related to a variable rate asset or liability resulting from changes in interest rate. With respect to hedge accounting, the Group's primary exposure is to USD LIBOR due to the extent of fixed rate debt instruments and subordinated debt denominated in USD that are designated in fair value hedge relationships.

The Group has applied the following relief from hedge accounting requirements that were introduced by the amendments made to SFRS(I) 9:

- When considering the 'highly probable' requirement, the Group assumed that the interest rate benchmark on which the hedged cash flows are based is not altered as a result of interest rate benchmark reform.
- In assessing the economic relationship between the hedged item and the hedging instrument, the Group assume that the interest rate benchmark on which the hedged item and hedging instruments are based is not altered as a result of the interest rate benchmark reform.
- For fair value hedges of interest rate risk on fixed rate debt, the Group only assesses whether the designated benchmark is separately identifiable at hedge inception and not revisited on reporting date.

In applying the amendments, the Group assumes that the uncertainty arising from interest rate benchmark reform is no longer present when contracts are modified to reflect the new benchmark rates or are discontinued. The Group also assumes that when modifying contracts to reflect the new benchmark rates, no other changes to the terms of the contracts will be made.

As at 31 December 2021, the notional amount of hedging instruments referencing USD LIBOR is $9.43 billion (2020: $10.51 billion).

40. Interest rate benchmark reform *(continued)*

Exposures impacted by the IBOR reform

The following table shows the total amount of non-derivative financial assets, non-derivative financial liabilities and derivative financial instruments that have yet to transition to an alternative benchmark rate as at 31 December 2021.

			GROUP		
$ million	**SOR**	**USD LIBOR**	**SIBOR**	**Other LIBOR**	**Total**
Gross carrying amount					
Loans to customers	17,352	24,047	15,369	7,320	64,088
Non-derivative financial asset	17,352	24,047	15,369	7,320	64,088
Gross carrying amount					
Deposits of non-bank customers	–	2,621	–	–	2,621
Deposits and balances of banks	–	768	–	–	768
Non-derivative financial liability	–	3,389	–	–	3,389
Notional amount					
Derivative financial instruments	35,067	116,685	–	8,100	159,852
Debt securities	–	285	–	117	402

			BANK		
$ million	**SOR**	**USD LIBOR**	**SIBOR**	**Other LIBOR**	**Total**
Gross carrying amount					
Loans to customers	17,352	21,356	15,369	6,587	60,664
Non-derivative financial asset	17,352	21,356	15,369	6,587	60,664
Gross carrying amount					
Deposits of non-bank customers	–	2,621	–	–	2,621
Deposits and balances of banks	–	768	–	–	768
Non-derivative financial liability	–	3,389	–	–	3,389
Notional amount					
Derivative financial instruments	35,347	117,172	–	8,003	160,522
Debt securities	–	52	–	117	169

The "Other LIBOR" balances contain positions that have the last interest fixing in 2021 based on GBP LIBOR, EUR LIBOR or JPY LIBOR. These non-USD LIBOR positions will be fixed using an alternative interest rate benchmark from the first interest fixing in 2022 onwards.

41. Fair values of financial instruments

41.1 Valuation governance framework

The Group has an established governance framework with respect to the measurement of fair values, which includes formalised processes for the review and validation of fair values independent of the businesses entering into the transactions.

The Market Risk Management (MRM) function within the GRM is responsible for the model validation process. Financial models are used to price financial instruments and to calculate value-at-risk (VaR). MRM ensures that the models used are fit for their intended purposes through internal independent validation and periodic review. MRM sources market rates independently for risk measurement and valuation.

The Treasury Financial Control and Advisory – Valuation Control function within the Group Finance Division is responsible for the establishment of the overall valuation control framework. This includes, but is not limited to, reviewing and recommending appropriate valuation adjustment methodologies, independent price testing, and identifying valuation gaps.

Valuation policies are formulated and reviewed annually by the Valuation Control function, and approved by the Market Risk Management Committee, the CEO and BRMC. Valuation adjustments are applied to account for input parameter uncertainties, known model deficiencies and other factors that may affect valuation. The main valuation adjustments are described below.

Bid Offer Adjustments
When the position is marked at mid-price, bid offer adjustment is applied to account for close out cost.

Model Adjustments
Model adjustments are applied when there are inherent limitations in the valuation models used by the Bank.

Day 1 Profit or Loss Adjustments
Day 1 profit or loss adjustments are applied when the valuation technique involves the use of significant inputs which are not readily observable. The difference between the fair value at initial recognition and the transaction price is deferred as an adjustment.

The Day 1 profit or loss adjustments are released to the income statement when the significant inputs become observable, when the transaction is derecognised or amortised over the life of the transaction.

Credit Valuation Adjustments
Credit valuation adjustments are applied to account for the expected losses due to counterparty default on derivative positions.

Collateral Valuation Adjustments
Collateral valuation adjustments are applied when a derivative is denominated and discounted using a curve in the same currency but is collateralised in another currency.

Parameter Uncertainty Adjustments
These valuation adjustments mainly include adjustments for illiquid prices or internal methodologies used to derive model inputs.

The Group's internal audit provides independent assurance on the respective divisions' compliance with the policy.

41. Fair values of financial instruments *(continued)*

41.2 Fair values

Financial instruments comprise financial assets, financial liabilities and off-balance sheet financial instruments. The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. For financial assets and liabilities not carried at fair value on the financial statements, the Group has determined that their fair values were not materially different from the carrying amounts at the reporting date. The carrying amounts and fair values of financial instruments of the Group are described below.

Financial assets

Fair values of cash and balances with central banks, placements with banks, interest and other short term receivables are expected to approximate their carrying amounts due to their short tenor or frequent re-pricing.

Securities held by the Group, comprising government securities and debt and equity securities are substantially carried at fair value on the balance sheet.

Non-bank customer loans are mainly carried at amortised cost on the balance sheet, net of allowances for impaired and non-impaired loans. The Group deems that the carrying amounts of non-bank loans approximate their fair values as substantially all the loans are subject to frequent re-pricing.

Financial liabilities

Fair value of certain financial liabilities, which include mainly customer deposits with no stated maturity, interbank borrowings and borrowings under repurchase agreements, are expected to approximate their carrying amounts due to their short tenor. For non-bank customer term deposits, contractual or derived cash flows are discounted at market rates as at reporting date to estimate the fair values, which approximate the carrying amounts.

The fair values of the Group's subordinated term notes and covered bonds are determined based on quoted market prices and independent broker offer prices. For other debts issued which are usually short term, the fair values approximate the carrying amounts.

41.3 Fair value hierarchy

The Group determines the fair values of its financial assets and liabilities using various measurements. The different levels of fair value measurements are as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable market data either directly (i.e. as prices) or indirectly (i.e. derived from observable market data). The valuation techniques that use market parameters as inputs include, but are not limited to, yield curves, volatilities and foreign exchange rates; and
- Level 3 – inputs for the valuation that are not based on observable market data.

41. Fair values of financial instruments *(continued)*

41.3 Fair value hierarchy *(continued)*

The following table summarises the Group's assets and liabilities measured at fair values subsequent to initial recognition by level of the fair value hierarchy:

	2021				2020			
$ million	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Recurring fair value measurements								
GROUP								
Financial assets measured at fair value								
Placements with and loans to banks	**2,194**	**5,673**	–	**7,867**	3,088	10,012	–	13,100
Debt and equity securities	**24,813**	**7,699**	**1,172**	**33,684**	25,204	6,338	1,214	32,756
Loans to customers	–	**2**	**47**	**49**	–	–	89	89
Derivative receivables	**42**	**8,413**	**812**	**9,267**	73	15,048	102	15,223
Government treasury bills and securities	**30,834**	**6,090**	–	**36,924**	27,234	5,679	–	32,913
Life insurance fund investment securities and other assets	**60,879**	**23,489**	**2,552**	**86,920**	56,272	22,797	1,967	81,036
Total	**118,762**	**51,366**	**4,583**	**174,711**	111,871	59,874	3,372	175,117
Non-financial assets measured at fair value								
Life insurance fund investment properties	–	–	**1,884**	**1,884**	–	–	1,767	1,767
Associates	–	–	**95**	**95**	–	97	–	97
Total	–	–	**1,979**	**1,979**	–	97	1,767	1,864
Financial liabilities measured at fair value								
Derivative payables	**168**	**8,262**	**640**	**9,070**	117	15,330	69	15,516
Trading portfolio liabilities	**393**	–	–	**393**	339	–	–	339
Debt issued	–	**1,092**	–	**1,092**	–	1,006	–	1,006
Life insurance fund financial liabilities	**3**	**106**	–	**109**	2	262	–	264
Total	**564**	**9,460**	**640**	**10,664**	458	16,598	69	17,125
BANK								
Financial assets measured at fair value								
Placements with and loans to banks	**1,324**	**4,553**	–	**5,877**	2,538	7,582	–	10,120
Debt and equity securities	**13,828**	**5,376**	**496**	**19,700**	13,143	3,871	443	17,457
Loans to customers	–	–	**47**	**47**	–	–	84	84
Derivative receivables	**15**	**7,161**	**636**	**7,812**	9	13,411	98	13,518
Government treasury bills and securities	**14,693**	**4,776**	–	**19,469**	13,903	4,424	–	18,327
Total	**29,860**	**21,866**	**1,179**	**52,905**	29,593	29,288	625	59,506
Financial liabilities measured at fair value								
Derivative payables	**133**	**7,075**	**448**	**7,656**	68	13,645	55	13,768
Trading portfolio liabilities	**393**	–	–	**393**	339	–	–	339
Debt issued	–	**1,092**	–	**1,092**	–	1,006	–	1,006
Total	**526**	**8,167**	**448**	**9,141**	407	14,651	55	15,113

During the financial year, the Group transferred financial assets from Level 2 to Level 1 as prices became observable arising from increased market activity. Financial assets were also transferred from Level 1 to Level 2 when quoted prices become unobservable arising from reduced market activity.

41. Fair values of financial instruments *(continued)*

41.3 Fair value hierarchy *(continued)*

Valuation techniques and unobservable inputs for Level 3 instruments

GROUP $ million	Fair value at 31 December 2021	Classification	Valuation techniques	Unobservable inputs
Financial assets				
Equity securities	**1,172**	FVTPL/FVOCI	Net asset value/ Multiples/Discounted cash flows	Value of net asset/Earnings and multiples/Cash flows and discount rate
Loans to customers	**47**	FVTPL	Discounted cash flows	Cash flows and discount rate
Derivative receivables	**812**	FVTPL	Option pricing model	Volatility/Correlation
			Derivatives pricing	Long dated rate
Life insurance fund investment securities and other assets	**2,552**	FVTPL/FVOCI	Net asset value	Value of net asset
Total	**4,583**			
Financial liabilities				
Derivative payables	**640**	FVTPL	Option pricing model	Volatility/Correlation
			Derivatives pricing	Long dated rate
Total	**640**			

Movements in Level 3 financial assets and liabilities

	2021				
GROUP $ million	Debt and equity securities	Loans to customers	Derivative receivables	Life insurance fund investment securities and other assets	Total
Financial assets measured at fair value					
At 1 January	1,214	89	102	1,967	3,372
Purchases	11	–	42	541	594
Settlements/disposals	(14)	(26)	(8)	(243)	(291)
Transfers in to Level 3	20 [1]	–	226 [1]	–	246
Gains/(losses) recognised in					
- profit or loss	(68)	(16)	449	288	653
- other comprehensive income	9	(#)	1	(1)	9
At 31 December	1,172	47	812	2,552	4,583
Unrealised (losses)/gains included in profit or loss for assets held at the end of the year	(68)	(16)	738	274	928

[1] Relates to transfers from Level 2 to Level 3 due to use of inputs not based on market observable data.

41. Fair values of financial instruments *(continued)*

41.3 Fair value hierarchy *(continued)*

Movements in Level 3 financial assets and liabilities *(continued)*

	2020				
GROUP $ million	Debt and equity securities	Loans to customers	Derivative receivables	Life insurance fund investment securities and other assets	Total
Financial assets measured at fair value					
At 1 January	1,025	180	61	1,764	3,030
Purchases	94	1	10	284	389
Settlements/disposals	(86)	(90)	(#)	(99)	(275)
Transfers in to/(out of) Level 3	23 [1]	–	(7) [2]	–	16
Gains/(losses) recognised in					
- profit or loss	53	(2)	38	20	109
- other comprehensive income	105	(#)	#	(2)	103
At 31 December	1,214	89	102	1,967	3,372
Unrealised gains/(losses) included in profit or loss for assets held at the end of the year	53	(3)	66	51	167

Gains/(losses) included in profit or loss are presented in the income statement as follows:

	2021			2020		
	Trading income	Other income	Total	Trading income	Other income	Total
Total gains included in profit or loss for the year ended	**365**	**288**	**653**	89	20	109
Unrealised gains included in profit or loss for assets held at the end of the year	**654**	**274**	**928**	116	51	167

[1] Relates to transfers from Level 2 to Level 3 due to use of inputs not based on market observable data.
[2] Relates to transfers from Level 3 to Level 2 due to use of inputs based on market observable data.

41. Fair values of financial instruments *(continued)*

41.3 Fair value hierarchy *(continued)*

Movements in Level 3 financial assets and liabilities *(continued)*

	2021				2020			
BANK $ million	**Debt and equity securities**	**Loans to customers**	**Derivative receivables**	**Total**	**Debt and equity securities**	**Loans to customers**	**Derivative receivables**	**Total**
Financial assets measured at fair value								
At 1 January	**443**	**84**	**98**	**625**	442	172	53	667
Purchases	**4**	**–**	**42**	**46**	86	#	8	94
Settlements/disposals	**(9)**	**(21)**	**(7)**	**(37)**	(83)	(86)	(1)	(170)
Transfers in to/(out of) Level 3	**11** [1]	**–**	**–**	**11**	(2) [2]	–	–	(2)
Gains/(losses) recognised in								
- profit or loss	**16**	**(16)**	**503**	**503**	12	(2)	38	48
- other comprehensive income	**31**	**#**	**–**	**31**	(12)	(#)	–	(12)
At 31 December	**496**	**47**	**636**	**1,179**	443	84	98	625
Unrealised gains/(losses) included in profit or loss for assets held at the end of the year	**16**	**(16)**	**557**	**557**	12	(3)	69	78

Gains/(losses) included in profit or loss are presented in the income statement as follows:

	2021		2020	
	Trading income	**Total**	**Trading income**	**Total**
Total gains included in profit or loss for the year ended	**503**	**503**	48	48
Unrealised gains included in profit or loss for assets held at the end of the year	**557**	**557**	78	78

[1] Relates to transfers from Level 2 to Level 3 due to use of inputs not based on market observable data.
[2] Relates to transfers from Level 3 to Level 2 due to use of inputs based on market observable data.

41. Fair values of financial instruments *(continued)*

41.3 Fair value hierarchy *(continued)*

Movements in Level 3 financial assets and liabilities *(continued)*

	GROUP				BANK			
	2021		2020		2021		2020	
$ million	Derivative payables	Total	Derivative payables	Total	Derivative payables	Total	Derivative payables	Total
Financial liabilities measured at fair value								
At 1 January	69	69	43	43	55	55	33	33
Issues	144	144	82	82	144	144	79	79
Settlements/disposals	(80)	(80)	(16)	(16)	(80)	(80)	(16)	(16)
Transfers in to/(out of) Level 3	226 [1]	226	(7) [2]	(7)	–	–	–	–
Losses/(gains) recognised in								
- profit or loss	281	281	(33)	(33)	329	329	(41)	(41)
- other comprehensive income	(#)	(#)	#	#	–	–	–	–
At 31 December	640	640	69	69	448	448	55	55
Unrealised (losses)/gains included in profit or loss for liabilities held at the end of the year	(542)	(542)	9	9	(369)	(369)	19	19

[1] Relates to transfers from Level 2 to Level 3 due to use of inputs not based on market observable data.
[2] Relates to transfers from Level 3 to Level 2 due to use of inputs based on market observable data.

Gains/(losses) included in profit or loss are presented in the income statements as follows:

	GROUP				BANK			
	2021		2020		2021		2020	
$ million	Trading income	Total	Trading income	Total	Trading income	Total	Trading income	Total
Total (losses)/gains included in profit or loss for the year ended	(281)	(281)	33	33	(329)	(329)	41	41
Unrealised (losses)/gains included in profit or loss for liabilities held at the end of the year	(542)	(542)	9	9	(369)	(369)	19	19

Movements in Level 3 non-financial assets

	GROUP				
	2021			2020	
$ million	Life insurance fund investment properties	Associates	Total	Life insurance fund investment properties	Total
Non-financial assets measured at fair value					
At 1 January	1,767	–	1,767	1,786	1,786
Purchases/net transfer from property, plant and equipment	39	–	39	#	#
Transfers in to Level 3	–	97 [1]	97	–	–
Gains/(losses) recognised in					
- profit or loss	84	(2)	82	(19)	(19)
- other comprehensive income	(6)	–	(6)	#	#
At 31 December	1,884	95	1,979	1,767	1,767

[1] Relates to transfers from Level 2 to Level 3 due to use of inputs not based on market observable data.

42. Offsetting financial assets and financial liabilities

The Group enters into master netting arrangements with counterparties. The credit risk associated with favourable contracts is reduced by the master netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are settled on a net basis. These arrangements do not qualify for net presentation on the balance sheet as the right to offset is enforceable only on the occurrence of future events such as default or other credit events.

The disclosures set out in the tables below pertain to financial assets and financial liabilities that are not presented net in the Group's balance sheet but are subject to enforceable master netting agreement or similar arrangement that covers similar financial instruments. The disclosures enable the evaluation on the potential effect of netting arrangements as well as provide additional information on how such credit risk is mitigated.

GROUP				Related amounts not offset on balance sheet		
Types of financial assets/liabilities $ million	Carrying amounts on balance sheet (A)	Amounts not subject to netting agreement (B)	Amounts subject to netting agreement (A – B = C + D + E)	Financial instruments (C)	Collateral (D)	Net amounts in scope (E)
2021						
Financial assets						
Derivative receivables	9,267	3,163	6,104	4,625	236	1,243
Reverse repurchase agreements	3,037 [1]	1,800	1,237	1,224	–	13
Securities borrowings	7 [2]	6	1	1	–	–
Total	12,311	4,969	7,342	5,850	236	1,256
Financial liabilities						
Derivative payables	9,070	1,731	7,339	4,625	1,283	1,431
Repurchase agreements	2,056 [3]	997	1,059	995	–	64
Securities lendings	5 [4]	–	5	5	–	–
Total	11,131	2,728	8,403	5,625	1,283	1,495
2020						
Financial assets						
Derivative receivables	15,223	4,441	10,782	8,437	423	1,922
Reverse repurchase agreements	4,157 [1]	2,437	1,720	1,710	–	10
Securities borrowings	2 [2]	1	1	1	–	–
Total	19,382	6,879	12,503	10,148	423	1,932
Financial liabilities						
Derivative payables	15,516	3,343	12,173	8,437	1,398	2,338
Repurchase agreements	1,221 [3]	1,136	85	85	–	–
Securities lendings	1 [4]	1	–	–	–	–
Total	16,738	4,480	12,258	8,522	1,398	2,338

[1] Reverse repurchase agreements shown above are the aggregate of transactions recorded in separate line items on the balance sheet, namely placements with central banks, loans to banks and non-bank customers and other assets. These transactions are measured either at fair value or amortised cost.

[2] Cash collateral placed under securities borrowings are presented under placements with and loans to banks and other assets on the balance sheet, and are measured at amortised cost.

[3] Repurchase agreements shown above are the aggregate of transactions recorded in separate line items on the balance sheet, namely deposits of banks and non-bank customers and other liabilities, and are measured at amortised cost.

[4] Cash collateral placed under securities lendings are presented under other liabilities, and are measured at amortised cost.

42. Offsetting financial assets and financial liabilities *(continued)*

BANK				Related amounts not offset on balance sheet		
Types of financial assets/liabilities $ million	**Carrying amounts on balance sheet (A)**	**Amounts not subject to netting agreement (B)**	**Amounts subject to netting agreement (A – B = C + D + E)**	**Financial instruments (C)**	**Collateral (D)**	**Net amounts in scope (E)**
2021						
Financial assets						
Derivative receivables	**7,812**	**1,689**	**6,123**	**4,458**	**359**	**1,306**
Reverse repurchase agreements	**2,169** [1]	**932**	**1,237**	**1,224**	–	**13**
Securities borrowings	**6** [2]	**6**	–	–	–	–
Total	**9,987**	**2,627**	**7,360**	**5,682**	**359**	**1,319**
Financial liabilities						
Derivative payables	**7,656**	**728**	**6,928**	**4,458**	**790**	**1,680**
Repurchase agreements	**1,059** [3]	–	**1,059**	**995**	–	**64**
Total	**8,715**	**728**	**7,987**	**5,453**	**790**	**1,744**
2020						
Financial assets						
Derivative receivables	13,518	2,820	10,698	8,318	607	1,773
Reverse repurchase agreements	1,808 [1]	90	1,718	1,708	–	10
Securities borrowings	1 [2]	1	–	–	–	–
Total	15,327	2,911	12,416	10,026	607	1,783
Financial liabilities						
Derivative payables	13,768	2,267	11,501	8,318	1,025	2,158
Repurchase agreements	85 [3]	–	85	85	–	–
Total	13,853	2,267	11,586	8,403	1,025	2,158

[1] Reverse repurchase agreements shown above are the aggregate of transactions recorded in separate line items on the balance sheet, namely placements with central banks, loans to banks and non-bank customers and other assets. These transactions are measured either at fair value or amortised cost.

[2] Cash collateral placed under securities borrowings are presented under placements with and loans to banks on the balance sheet, and are measured at amortised cost.

[3] Repurchase agreements shown above are the aggregate of transactions recorded in separate line items on the balance sheet, namely deposits of banks and non-bank customers and other liabilities, and are measured at amortised cost.

43. Contingent liabilities

The Group conducts businesses involving acceptances, guarantees, documentary credits and other similar transactions. Acceptances are undertakings by the Group to pay on receipt of bills of exchange drawn. The Group issues guarantees on the performance of customers to third parties. Documentary credits commit the Group to make payments to third parties on presentation of stipulated documents. As the Group will only be required to meet these obligations in the event of customer's default, the cash requirements of these instruments are expected to be considerably below their nominal contractual amounts.

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
Guarantees and standby letters of credit:				
Term to maturity of one year or less	**6,770**	4,248	**5,592**	3,202
Term to maturity of more than one year	**2,472**	2,437	**1,544**	1,505
	9,242	6,685	**7,136**	4,707
Acceptances and endorsements	**1,016**	845	**442**	337
Documentary credits and other short term trade-related transactions	**6,393**	5,762	**4,721**	4,627
	16,651	13,292	**12,299**	9,671
43.1 Analysed by industry				
Agriculture, mining and quarrying	**198**	56	**22**	22
Manufacturing	**1,412**	1,216	**353**	228
Building and construction	**2,137**	2,171	**1,066**	1,183
General commerce	**10,287**	7,423	**8,757**	6,388
Transport, storage and communication	**359**	359	**254**	296
Financial institutions, investment and holding companies	**1,116**	657	**880**	506
Professionals and individuals	**113**	283	**40**	43
Others	**1,029**	1,127	**927**	1,005
	16,651	13,292	**12,299**	9,671
43.2 Analysed by geography				
Singapore	**11,347**	8,913	**11,276**	8,773
Malaysia	**1,125**	1,114	**6**	6
Indonesia	**1,169**	1,003	**–**	–
Greater China	**2,520**	1,835	**520**	445
Other Asia Pacific	**128**	192	**135**	212
Rest of the World	**362**	235	**362**	235
	16,651	13,292	**12,299**	9,671

Contingent liabilities analysed by geography is based on the country where the transactions are recorded.

44. Commitments

Commitments comprise mainly agreements to provide credit facilities to customers. Such credit facilities (cancellable and non-cancellable) can either be made for a fixed period, or have no specific maturity.

		GROUP		BANK	
		2021	2020	2021	2020
		$ million	$ million	$ million	$ million
44.1	**Credit commitments**				
	Undrawn credit facilities:				
	Term to maturity of one year or less	**141,648**	134,540	**70,699**	57,600
	Term to maturity of more than one year	**29,414**	25,594	**25,640**	36,319
		171,062	160,134	**96,339**	93,919
44.2	**Other commitments**				
	Capital commitment authorised and contracted	**220**	227	**234**	235
	Forward deposits and assets purchase	**359**	3,670	**1,990**	2,614
		579	3,897	**2,224**	2,849
44.3	**Total commitments**	**171,641**	164,031	**98,563**	96,768
44.4	**Credit commitments analysed by industry**				
	Agriculture, mining and quarrying	**1,408**	1,503	**657**	700
	Manufacturing	**8,025**	8,890	**2,637**	3,641
	Building and construction	**17,338**	17,065	**13,540**	13,195
	General commerce	**24,809**	22,782	**19,692**	17,946
	Transport, storage and communication	**4,768**	3,378	**4,080**	2,858
	Financial institutions, investment and holding companies	**53,570**	48,386	**33,967**	35,544
	Professionals and individuals	**54,552**	49,685	**16,409**	14,072
	Others	**6,592**	8,445	**5,357**	5,963
		171,062	160,134	**96,339**	93,919
44.5	**Credit commitments analysed by geography**				
	Singapore	**136,454**	121,097	**83,515**	79,891
	Malaysia	**8,736**	8,446	**469**	756
	Indonesia	**5,379**	5,082	**–**	–
	Greater China	**13,709**	19,140	**5,548**	6,876
	Other Asia Pacific	**3,071**	2,915	**3,091**	2,920
	Rest of the World	**3,713**	3,454	**3,716**	3,476
		171,062	160,134	**96,339**	93,919

Credit commitments analysed by geography is based on the country where the transactions are recorded.

45. Unconsolidated structured entities

Unconsolidated structured entities refer to structured entities that are not controlled by the Group. The Group's transactions in these structured entities are for investment opportunities as well as to facilitate client transactions. The Group's maximum exposure to loss is primarily limited to the carrying amount on its balance sheet and loan and capital commitments to these structured entities.

The following table summarises the carrying amount of the assets and liabilities recognised in the Group's financial statements relating to the interests in unconsolidated structured entities undertaken by business segments.

45. Unconsolidated structured entities *(continued)*

GROUP ($ million)	Global investment banking	Insurance	Others	Total
2021				
FVOCI investments	**83**	–	#	**83**
FVTPL investments	**1**	**125**	#	**126**
Other assets	–	**6**	–	**6**
Total assets	**84**	**131**	#	**215**
Other liabilities	–	–	–	–
Total liabilities	–	–	–	–
Other commitments				
Loan and capital commitments authorised and contracted [1]	**34**	–	–	**34**
Income earned from sponsored structured entities [2]	#	**55**	**34**	**89**
Assets of structured entities	**669**	**7,186**	**3,019**	**10,874**
2020				
FVOCI investments	53	–	#	53
FVTPL investments	–	112	#	112
Other assets	–	4	–	4
Total assets	53	116	#	169
Other liabilities	–	–	–	–
Total liabilities	–	–	–	–
Other commitments				
Loan and capital commitments authorised and contracted [1]	21	–	–	21
Income earned from sponsored structured entities [2]	#	47	36	83
Assets of structured entities	445	5,253	3,208	8,906

[1] These were also included in the Group's capital commitments authorised and contracted in Note 44.

[2] The income earned relates primarily to management fee, interest income or fair value gains or losses recognised by the Group arising from the interests held by the Group in the unconsolidated investment funds.

The amount of assets transferred to sponsored entities during 2021 and 2020 were not significant.

46. Financial assets transferred

46.1 Assets pledged

	GROUP		BANK	
	2021 $ million	**2020 $ million**	**2021 $ million**	**2020 $ million**
Government treasury bills and securities				
- Singapore	**183**	102	**183**	102
- Others	**857**	277	**676**	8
Placements with and loans to banks	–	9	–	–
Loans to customers	**3,132**	2,462	**2,990**	2,089
Debt securities	**1,465**	1,051	**533**	95
	5,637	3,901	**4,382**	2,294
Obligations to repurchase assets pledged	**2,056**	1,220	**1,059**	85

46. Financial assets transferred *(continued)*

46.1 Assets pledged *(continued)*

(a) The amounts received from repurchase transactions are recognised as collaterised borrowings, "obligations to repurchase assets pledged", measured at amortised cost and included in deposits of banks and non-bank customers and other liabilities on the balance sheet. The above assets pledged as collateral for repurchase transactions are not derecognised but are presented separately on the balance sheet.

(b) The amounts paid in reverse repurchase transactions are recognised as collaterised lendings, measured at amortised cost and included in loans to banks and non-bank customers as appropriate. The financial assets accepted as collateral for reverse repurchase transactions are not recognised as assets on the balance sheet. The fair value of financial assets accepted as collateral, which the Group is permitted to sell or re-pledge in the absence of default is $3.05 billion (2020: $4.26 billion), of which $0.06 billion (2020: $0.06 billion) have been sold or re-pledged. The Group is obliged to return equivalent assets.

(c) Transactions are conducted under terms and conditions that are usual and customary to standard securities lending (equivalent to repurchase transactions) and securities borrowing (equivalent to reverse repurchase transactions).

46.2 Assets assigned as security for covered bonds issued (Note 21.5)

Pursuant to the Bank's Global Covered Bond Programme, selected pools of Singapore housing loans originated by the Bank have been assigned to a bankruptcy-remote structured entity, Red Sail Pte. Ltd. (Note 33.3). These housing loans continue to be recognised on the Bank's balance sheet as the Bank remains exposed to the risks and rewards associated with them.

As at 31 December 2021, the carrying amounts of the covered bonds in issue was $3.52 billion (2020: $3.73 billion), while the carrying amounts of assets assigned was $12.08 billion (2020: $7.28 billion). The difference in values is attributable to an intended over-collateralisation required to maintain the credit ratings of the covered bonds in issue, and additional assets assigned to facilitate future issuances.

47. Assets held for sale

Assets held for sale comprise properties which the Group is disposing of, subject to terms that are usual and customary in the completion of the sale. The transactions did not have any material impact on the Group's net earnings and net assets for the financial years ended 31 December 2021 and 31 December 2020.

48. Minimum lease payment receivable

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date:

	GROUP		BANK	
	2021 $ million	2020 $ million	2021 $ million	2020 $ million
Within 1 year	**48**	43	**16**	16
After 1 year but within 5 years	**53**	50	**3**	5
Over 5 years	#	–	#	–
	101	93	**19**	21

The Group leases retail, commercial and hotel space to third parties with varying terms including variable rent, escalation clauses and renewal rights.

49. Related party transactions

Loans and deposits transactions with related parties arise from the ordinary course of business and are not treated any differently from loans and deposits transactions with other customers of the Group. Credit facilities granted are subject to the same credit evaluation, approval, monitoring and reporting processes. All transactions with related parties are conducted on commercial terms.

49.1 Material related party transactions

Material related party balances at the reporting date and transactions during the financial year were as follows:

	GROUP		BANK		
$ million	**Associates**	**Life insurance fund**	**Subsidiaries**	**Associates**	**Life insurance fund**
(a) Loans, placements and other receivables					
At 1 January 2021	41	669	17,246	40	198
Net change	(#)	(69)	4,683	(#)	(189)
At 31 December 2021	**41**	**600**	**21,929**	**40**	**9**
(b) Deposits, borrowings and other payables					
At 1 January 2021	406	801	25,793	200	569
Net change	25	396	2,457	30	(28)
At 31 December 2021	**431**	**1,197**	**28,250**	**230**	**541**
(c) Off-balance sheet credit facilities [1]					
At 1 January 2021	–	11	16,929	–	11
Net change	–	(7)	(4,555)	–	(7)
At 31 December 2021	**–**	**4**	**12,374**	**–**	**4**
(d) Income statement transactions					
Year ended 31 December 2021					
Interest income	#	**13**	**90**	#	#
Interest expense	**1**	**6**	**103**	**1**	#
Rental income	–	**2**	**19**	–	#
Fee and commission and other income	–	**327**	**67**	–	**252**
Rental and other expenses	**19**	**21**	**452**	**18**	#
Year ended 31 December 2020					
Interest income	#	15	173	#	#
Interest expense	5	5	253	2	1
Rental income	–	2	23	–	#
Fee and commission and other income	21	233	60	–	171
Rental and other expenses	17	19	365	17	#

[1] Off-balance sheet credit facilities refer to transaction-related and trade-related contingencies and commitments.

During the financial year, the Group had banking transactions with director-related and key management-related entities and personnel of the Group. These transactions were not material.

49.2 Key management personnel compensation

	BANK	
	2021 $ million	**2020 $ million**
Key management personnel compensation is as follows:		
Short-term employee benefits	**42**	47
Share-based benefits	**13**	16
	55	63

Certain performance-related payments to key management personnel of the Bank in relation to the performance year 2021 included in the above table are subject to the approval of the Remuneration Committee.

Comparatives have been updated following the approval of the performance-related payments to key management personnel of the Bank in relation to the performance year 2020 by the Remuneration Committee.

50. Capital management

The key objective of the Group's capital management policy is to maintain a strong capital position to support business growth and strategic investments, and to sustain investor, depositor, customer and market confidence. In line with this, the Group targets a minimum credit rating of "A" and ensures that its capital ratios are comfortably above the regulatory minima, while balancing shareholders' desire for sustainable returns and high standards of prudence. The Group actively manages its capital composition with an optimal mix of capital instruments in order to keep its overall cost of capital low.

A description of the key terms and conditions of the regulatory capital instruments can be found in Notes 13, 14 and 21 of the financial statements, and the approaches adopted by the Group for the computation of risk-weighted assets can be found in the "Pillar 3 Disclosures" chapter.

The Group has complied with all externally imposed regulatory capital requirements. The table below shows the composition of the Group's regulatory capital and its capital adequacy ratios as of 31 December 2021.

$ million	2021	2020
Tier 1 Capital		
Ordinary shares	**18,040**	17,833
Disclosed reserves/others	**25,782**	23,021
Regulatory adjustments	**(8,977)**	(7,648)
Common Equity Tier 1 Capital	**34,845**	33,206
Additional Tier 1 capital	**1,231**	1,230
Regulatory adjustments	**–**	–
Tier 1 Capital	**36,076**	34,436
Tier 2 capital	**3,497**	4,530
Regulatory adjustments	**–**	–
Total Eligible Capital	**39,573**	38,966
Credit	**197,164**	191,525
Market	**11,681**	10,955
Operational	**16,021**	15,665
Risk Weighted Assets	**224,866**	218,145
Capital Adequacy Ratios		
Common Equity Tier 1	**15.5%**	15.2%
Tier 1	**16.0%**	15.8%
Total	**17.6%**	17.9%

51. New accounting standards and interpretations

As of the reporting date, certain new standards, amendments and interpretations to existing accounting standards have been published. The Group has not adopted the following relevant new/revised financial reporting standards and interpretations that have been issued but not yet effective.

SFRS(I)	Title	Effective for financial year beginning on or after
Various	*Annual Improvements to SFRS(I)s 2018-2020*	1 January 2022
SFRS(I) 3 (Amendments)	*Reference to the Conceptual Framework*	1 January 2022
SFRS(I) 1-16 (Amendments)	*Property, Plant and Equipment – Proceeds before Intended Use*	1 January 2022
SFRS(I) 1-37 (Amendments)	*Onerous Contracts – Cost of Fulfilling a Contract*	1 January 2022
SFRS(I) 17	*Insurance Contracts*	1 January 2023
Various	*Amendments to SFRS(I) 17*	1 January 2023
Various	*Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies*	1 January 2023
SFRS(I) 1-1 (Amendments)	*Classification of Liabilities as Current or Non-current*	1 January 2023
SFRS(I) 1-8 (Amendments)	*Definition of Accounting Estimates*	1 January 2023
SFRS(I) 1-12 (Amendments), SFRS(I) 1 (Amendments)	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	1 January 2023
SFRS(I) 1-10 (Amendments), SFRS(I) 1-28 (Amendments)	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	To be determined

Based on the Group's preliminary analysis, the initial application of the above standards (including their consequential amendments) and interpretations are not expected to have a significant impact on the Group's financial statements, except as described below.

SFRS(I) 17 *Insurance Contracts*

SFRS(I) 17 was issued in March 2018 as replacement for SFRS(I) 4 Insurance Contracts. The Accounting Standards Council Singapore (ASC) has issued Amendments to SFRS(I) 17 on 27 November 2020 to defer the effective date to annual reporting periods beginning on or after 1 January 2023.

It is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. SFRS(I) 17 requires a general model where estimates are re-measured in each reporting period. Contracts are measured using the building blocks of:

- discounted probability-weighted cash flows;
- an explicit risk adjustment; and
- a contractual service margin representing the unearned profit of the contract which is recognised as revenue over the coverage period.

The general model is supplemented by:

- a simplified approach (the premium allocation approach) mainly for short duration contracts; and
- a modification of the general measurement model (the variable fee approach) for contracts with direct participation features.

SFRS(I) 17 is effective for annual periods beginning on or after 1 January 2023, with comparative figures required. Retrospective application is required. However, if full retrospective application for a group of insurance contracts is impracticable, then the entity is required to choose either a modified retrospective approach or a fair value approach. GEH Group plans to adopt SFRS(I) 17 on the required effective date and a Project Steering Committee was formed to oversee the implementation of the standard. GEH Group expects that SFRS(I) 17 will result in an important change to the accounting policies for insurance contract liabilities of GEH Group and is likely to have a significant impact on profit and total equity together with GEH Group's financial statements' presentation and disclosures.

REGISTERED OFFICE OF THE ISSUER

Oversea-Chinese Banking Corporation Limited
63 Chulia Street
#10-00 OCBC Centre East
Singapore 049514

ARRANGERS AND DEALERS

Merrill Lynch (Singapore) Pte. Ltd.
50 Collyer Quay, #16-01
OUE Bayfront
Singapore 049321

J.P. Morgan Securities Asia Private Limited
88 Market Street
Capital Tower, 26th Floor
Singapore 048948

Oversea-Chinese Banking Corporation Limited
63 Chulia Street
#03-05 OCBC Centre East
Singapore 049514

TRUSTEE

in respect of Notes other than AMTNs

The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

LEGAL ADVISORS

to the Issuer

in respect of English and U.S. law

Linklaters Singapore Pte. Ltd
One George Street
#17-01
Singapore 049145

in respect of Singapore law

Allen & Gledhill LLP
One Marina Boulevard
#28-00
Singapore 018989

in respect of Australian law

King & Wood Mallesons
Level 61
Governor Phillip Tower
1 Farrer Place
Sydney
New South Wales 2000
Australia

to the Arrangers

in respect of English and U.S. law

Clifford Chance Pte. Ltd.
12 Marina Boulevard
Marina Bay Financial Centre Tower 3
25th Floor
Singapore 018982

AUDITORS

(in respect of the audited annual consolidated financial statements of OCBC Bank as of and for the year ended December 31, 2019)

KPMG LLP
16 Raffles Quay
#22-00 Hong Leong Building
Singapore 048581

(in respect of the audited annual consolidated financial statements of OCBC Bank as of and for the years ended December 31, 2020 and 2021)

PricewaterhouseCoopers LLP
7 Straits View
#12-00 Marina One East Tower
Singapore 018936

ISSUING AND PAYING AGENT AND CALCULATION AGENT

in respect of Notes other than AMTNs and (in the case of the Issuing and Paying Agent only) Notes cleared through the CMU, CDP and DTC

The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

CMU LODGING AND PAYING AGENT, TRANSFER AGENT AND REGISTRAR

in respect of Notes cleared through the CMU

The Bank of New York Mellon, Hong Kong Branch
Level 26, Three Pacific Place
1 Queen's Road East
Hong Kong

CDP PAYING AGENT, TRANSFER AGENT AND REGISTRAR

in respect of Notes cleared through CDP

The Bank of New York Mellon, Singapore Branch
One Temasek Avenue
#02-01 Millenia Tower
Singapore 039192

ISSUING AND PAYING AGENT, EXCHANGE AGENT, TRANSFER AGENT AND REGISTRAR

in respect of Notes cleared through DTC

The Bank of New York Mellon
240 Greenwich Street
New York, NY 10286

ISSUING AND PAYING AGENT, PAYING AGENT, REGISTRAR AND CALCULATION AGENT

in respect of AMTNs only

BTA Institutional Services Australia Limited (ABN 48 002 916 396)
Level 2
1 Bligh Street
Sydney
New South Wales 2000
Australia

REGISTRAR AND TRANSFER AGENT

in respect of Notes other than AMTNs and Notes cleared through the CMU, CDP and DTC

The Bank of New York Mellon SA/NV, Luxembourg Branch
Vertigo Building – Polaris
2-4 rue Eugene Ruppert
L-2453 Luxembourg