

OCBC 4.50% Non-cumulative Non-convertible Perpetual Capital Securities:

(i) Pricing Supplement, and

(ii) Term and Conditions as extracted from the Offering Memorandum relating to the Global Medium Term Note Program dated 6 April 2022

IMPORTANT NOTICE

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Pricing Supplement dated 11 August 2023

OVERSEA-CHINESE BANKING CORPORATION LIMITED

Issue of S\$550,000,000 4.50 per cent. Perpetual Capital Securities First Callable in 2029
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. This Pricing Supplement, together with the information set out in the Schedules to this Pricing Supplement, contains the final terms of the Perpetual Capital Securities and must be read in conjunction with such Offering Memorandum.

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.

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 cancellation, modification, conversion and/or change in form, as set out in such Bail-in Certificate.

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 (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 Recommendation on Investment Products).

1	Issuer:	Oversea-Chinese Banking Corporation Limited
2	(i) Series Number:	55
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	Singapore Dollar (“ S\$ ”)
4	Aggregate Principal Amount:	
	(i) Series:	S\$550,000,000
	(ii) Tranche:	S\$550,000,000
5	Issue Price:	100.0 per cent. of the Aggregate Principal Amount
6	(i) Specified Denominations:	S\$250,000
	(ii) Calculation Amount:	S\$250,000
7	(i) Issue Date:	15 August 2023
	(ii) Distribution Commencement Date:	Issue Date
	(iii) Trade Date:	7 August 2023
8	Maturity Date:	Not Applicable

9	Distribution Basis:	<p>From (and including):</p> <ul style="list-style-type: none"> • the Distribution Commencement Date to (but excluding) the First Reset Date (as defined below), the Initial Distribution Rate; • the First Reset Date and each Reset Date falling thereafter to (but excluding) the immediately following Reset Date, the Reset Distribution Rate. <p>(further particulars specified below)</p>
10	Redemption/Payment Basis:	Redemption at par, subject to paragraphs 18(ii), 20 and 21 below
11	Change of Distribution or Redemption/Payment Basis:	See paragraph 9 above
12	Call Options:	<p>Issuer Call</p> <p>(further particulars specified below)</p>
13	Listing:	SGX-ST
14	Status of Perpetual Capital Securities:	Subordinated
15	Method of distribution:	Non-syndicated

PROVISIONS RELATING TO DISTRIBUTION (IF ANY) PAYABLE

16	Fixed Rate Perpetual Capital Security Provisions	Applicable
	(i) Rates of Distribution:	
	(a) Reset	Applicable
	(A) First Reset Date	15 February 2029
	(B) Reset Date(s)	The First Reset Date and each date falling every five years after the First Reset Date, not adjusted for non-Business Days

(C)	Relevant Rate	5-year SORA-OIS, where: “5-year SORA-OIS” means (a) the rate per annum which appears on the “OTC SGD OIS” page on Bloomberg under “BGN” appearing under the column headed “Ask” (or such other substitute page thereof or if there is no substitute page, the screen page which is the generally accepted page used by market participants at that time as determined by an independent financial institution (which is appointed by the Issuer and notified to the Calculation Agent)) for a 5-year period at the close of business on the second business day prior to the relevant Reset Date (the “ Reset Distribution Date ”), or (b) if a Benchmark Event has occurred in relation to the “5-year SORA OIS”, such rate as determined in accordance with Condition 4(l)(i).
	(D) Reset Period	5 years
	(E) Initial Spread	1.3348 per cent.
	(b) Initial Distribution Rate:	4.50 per cent. per annum payable semi-annually in arrear
(ii)	Distribution Period(s):	Each period from (and including) a Distribution Payment Date to (but excluding) the subsequent Distribution Payment Date, except that the first Distribution Period will commence on (and include) the Issue Date.
(iii)	Distribution Payment Date(s):	15 February and 15 August in each year (not adjusted for non-Business Days) commencing on the Distribution Payment Date falling on 15 February 2024
(iv)	Distribution Stopper:	Applicable
(v)	Fixed Distribution Amount[(s)]:	Not Applicable
(vi)	Broken Amount[(s)]:	Not Applicable
(vii)	Day Count Fraction (Condition 4(i)):	Actual/365 (Fixed)
(viii)	Other terms relating to the method of calculating interest for Fixed Rate Perpetual Capital Securities:	Benchmark Discontinuation (General) (Condition 4(l)(i)) is applicable
17	Floating Rate Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

18	Call Option	Applicable
	(i) Optional Redemption Date(s):	First Reset Date and each Distribution Payment Date thereafter
	(ii) Optional Redemption Amount(s) of each Perpetual Capital Security and specified denomination method, if any, of calculation of such amount(s):	S\$250,000 per Perpetual Capital Security of S\$250,000 specified denomination
	(iii) If redeemable in part:	
	(a) Minimum Redemption Amount:	Not Applicable
	(b) Maximum Redemption Amount:	Not Applicable
	(iv) Notice period:	In accordance with Condition 6(d)
19	Variation instead of Redemption (Condition 6(f))	Applicable
20	Final Redemption Amount of each Perpetual Capital Security	S\$250,000 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):	S\$250,000 per Calculation Amount

PROVISIONS RELATING TO LOSS ABSORPTION

22	Loss Absorption Option: Write-off on a Trigger Event (Condition 7(b)):	Applicable
23	Loss Absorption Option: Conversion:	Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE PERPETUAL CAPITAL SECURITIES

24	Form of Perpetual Capital Securities:	Regulation S Global Certificate (S\$550,000,000 nominal amount) registered in the name of The Central Depository (Pte) Limited
25	Financial Center(s) (Condition 8(f)) or other special provisions relating to Payment Dates:	Singapore
26	Other terms or special conditions:	Not Applicable

DISTRIBUTION

- | | | |
|----|--|---|
| 27 | (i) If syndicated, names of Managers: | Not Applicable |
| | (ii) Stabilization Manager (if any): | Not Applicable |
| 28 | If non-syndicated, name of Dealer: | Oversea-Chinese Banking Corporation Limited |
| 29 | Whether TEFRA D or TEFRA C was applicable or TEFRA rules not applicable: | TEFRA not applicable |
| 30 | Additional selling restrictions: | Not Applicable |

OPERATIONAL INFORMATION

- | | | |
|----|---|---|
| 31 | ISIN Code: | SGXF59890693 |
| 32 | Common Code: | 266722354 |
| 33 | CUSIP: | Not Applicable |
| 34 | CMU Instrument Number: | Not Applicable |
| 35 | Legal Entity Identifier (LEI) | 549300703QFXCPOGWK22 |
| 36 | Any clearing system(s) other than CDP, the CMU, Euroclear and Clearstream and/or DTC and the relevant identification number(s): | Not Applicable |
| 37 | Delivery: | Delivery free of payment |
| 38 | Additional Paying Agent(s) (if any): | Not Applicable |
| 39 | The Agents appointed in respect of the Perpetual Capital Securities are: | The Bank of New York Mellon, Singapore Branch |

GENERAL INFORMATION

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|----|--|--------------------|
| 40 | The aggregate principal amount of Perpetual Capital Securities issued has been translated into U.S. dollars at the rate of U.S.\$0.7445: S\$1.00, producing a sum of Perpetual Capital Securities not denominated in U.S. dollars: | U.S.\$ 409,475,000 |
| 41 | Governing law of Perpetual Capital Securities: | Singapore |

PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the final terms required for the issue and admission to trading on the SGX-ST 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:



Name: Goh Chin Yee
Designation: Group Chief Financial Officer

Duly authorized

By:



Name: Koh Li-San
Designation: Head, Funding and Capital Management

Duly authorized

SCHEDULE 1

The Offering Memorandum is hereby supplemented with the following information, which shall be deemed to be incorporated in, and to form part of, the Offering Memorandum. Save as otherwise defined herein, terms defined in the Offering Memorandum have the same meaning when used in this Schedule.

PRESENTATION OF FINANCIAL INFORMATION

On August 4, 2023, Oversea-Chinese Banking Corporation Limited published its unaudited consolidated financial results for the half year ended 30 June 2023 (the “**1H 2023 Financials**”). The 1H 2023 Financials are included hereto as Schedule 2.

RECENT DEVELOPMENTS

On June 21, 2023, the MAS announced that it had imposed a composition penalty of S\$600,000 on us for breaches of MAS' Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) requirements relating to accounts maintained by one of our corporate customers. MAS held that we failed to inquire into the background and purpose of transactions even though they were not consistent with our knowledge of the customer and its business, or were unusually large and exhibited an unusual pattern that had no apparent economic purpose, and that we also failed to probe into the customer's ownership and control structure when the customer's declared beneficial owner was not a party named in the customer's corporate registration documents. We have taken prompt remedial actions to address the deficiencies identified by MAS.

We would draw your attention to “Risk Factors – Risks Relating to our Business – Fraud or other misconduct by employees or third parties could expose us to losses and regulatory sanctions.” and “Risk Factors – Risks Relating to our Business – Damage to our reputation or brand names may have an adverse effect on our business.”

On July 3, 2023, we unveiled a unified brand across our core markets, solidifying our One Group approach, one of eight core pillars of the Corporate Strategy that was refreshed in 2022. This unified brand demonstrates our commitment to leveraging the combined strength of its comprehensive network, as well as its One Group capabilities in banking, wealth management and insurance, to support the increasingly cross-border aspirations and growth of businesses and individuals. With this One Group approach, our comprehensive ASEAN-Greater China franchise and twin hub proposition of Singapore and Hong Kong becomes even more compelling.

To unify the brand, legal name changes have been made for key subsidiaries. In Hong Kong SAR, OCBC Wing Hang Bank Limited is now OCBC Bank (Hong Kong) Limited and in Macau SAR, Banco OCBC Weng Hang, S.A. is now OCBC Bank (Macau) Limited. Pending regulatory approval, OCBC Wing Hang Bank (China) Limited will change its legal name to OCBC Bank Limited in mainland China in the fourth quarter of 2023. With these legal name changes in Greater China, OCBC Bank has launched a unified refreshed logo for its banking entities. OCBC NISP, OCBC Bank's Indonesian subsidiary, will adopt the same logo in the fourth quarter of 2023. The logo for Bank of Singapore, OCBC's dedicated private banking subsidiary, remains unchanged.

On July 7, 2023, we announced that we will, in accordance with the relevant conditions, be redeeming all of our S\$1,000,000,000 4.00% Additional Tier 1 Perpetual Capital Securities on August 24, 2023. The redemption is not expected to have a significant impact on our capital ratios. OCBC Bank remains well capitalised with strong capital buffers above the regulatory minimum requirements.

RISK FACTORS

The section “**RISK FACTORS**” beginning on page 28 of the Offering Memorandum shall be amended as follows:

- A. The risk factor “***Global and regional geopolitical economic and financial conditions could adversely affect our operations, asset quality and growth and cause our business to suffer.***” beginning on page 28 of the Offering Memorandum shall be deleted in its entirety (including the sub-header) and substituted therefor with the following:

“Global and regional geopolitical, social, macroeconomic 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 U.S. and China tensions, the Russia-Ukraine conflict, 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 several uncertainties ahead in the global markets. First, a number of geopolitical tensions continue to intensify which could lead to further economic fragmentation, with significant long-term implications. Notwithstanding recent dialogues, tensions between the U.S. and China remain elevated in the areas of data and technology security as well as Taiwan. A technology war has continued in the midst of the in-force U.S. stringent licensing for export of advanced chips and technology/tools for use in China military. A military conflict over Taiwan will likely disrupt trade and transportation routes as well as advanced chip supply to the world given Taiwan’s role as a key global chip supplier. Besides Taiwan, a material escalation in geopolitical risks such as the intensifying Russia-Ukraine conflict, tensions in the Indo-Pacific region as well as North and South Korea could aggravate ongoing global economic slowdown while increasing inflation, financial market volatilities and capital flight from emerging markets. The consequent higher nominal and real interest rates will impact debt servicing ability of highly leveraged corporates and lead to increased pace of defaults. Countries that struggle to obtain adequate external financing for their fiscal and current account payments against a backdrop of a sharp erosion of their international reserves could lean towards imposing severe restrictions to stem capital outflows and even announce a default on sovereign debt payments.

Although COVID-19 is now evolving into a more liveable endemic, there are a number of economic sectors which remain affected by the after-effects of COVID-19. For instance, the commercial real estate sector in developed markets has been affected by remote-work arrangements, which have increased vacancy rates and reduced money spent on food, entertainment and retail stores in commercial properties. The after-effects of COVID-19 have not only affected economic sectors but also entire countries. Although China is rebooting the economy, China’s economic recovery may remain soft if its recent policy support measures and easing of COVID-19-related restrictions alongside anticipated interest rate cuts in 2023 fail to improve the challenging conditions in the property market and boost household consumption.

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, international security issues and geopolitical developments could disrupt global supply chains

and adversely impact global trade and economic activity. Third, normalisation 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. Fourth, 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".

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 markets in which we operate 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.

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 fast-growing refugee situation in Europe as a result of the Russia-Ukraine conflict may also negatively impact 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.

Following a period of the adoption of loose monetary policies to stimulate global economies in the wake of the COVID-19 pandemic, global central banks have started normalising monetary policies, such as the tapering and ending of asset purchase, interest rate hikes and reducing the central bank's balance sheet (also termed as Quantitative Tightening). If mis-calibrated, this could have adverse implications to economic growth and increase recessionary risks. 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."

- B. The risk factor "***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.***" beginning on page 30 of the Offering Memorandum shall be deleted in its entirety and substituted therefor with the following:

“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.

On 26 May 2022, the MAS imposed an additional capital requirement of approximately S\$330 million following a wave of spoofed SMS phishing scams portrayed as being related to our entity in December 2021. As a result, we are required to apply a multiplier of 1.3 times to its risk-weighted assets for operational risk. Following the scams, we engaged an independent firm to review our systems and processes. Deficiencies were noted in our mitigation of identified risks, pre- and post-transaction controls, incident management and complaints handling, resulting in delays in containment measures and customer response time. The deficiencies identified were in line with MAS’ assessment and we are in the process of addressing them. The additional capital requirement will be reviewed when MAS is satisfied that we have addressed all deficiencies identified in the review.

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.”

- C. The risk factor “***We face increased competition which may result in decreased loan margins and reduce our market share.***” beginning on page 31 of the Offering Memorandum shall be deleted in its entirety and substituted therefor with the following:

“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 governments in South East Asia, Greater China and other markets in which we operate have taken steps to liberalise their local banking industries, which has resulted in increased competition among domestic and foreign banks operating in these regions, leading to reduced margins for certain banking products. Further liberalisation of such financial sectors 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.

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.”

D. The risk factor entitled “***We may face pressure on our capital and liquidity positions due to Basel III or other relevant regulatory requirements, which could constrain our operations.***” beginning on page 34 of the Offering Memorandum shall be amended by:

1. inserting the following as the new ninth paragraph of the risk factor:

“On June 8, 2023, the MAS announced that most of the final Basel III reforms in Singapore will come into effect from July 1, 2024. The requirements in the revised MAS Notice 637 will take effect as follows: (a) for all standards other than the revised market risk and credit valuation adjustment (“**CVA**”) standards, this will take effect from July 1, 2024; (b) for the revised market risk and CVA standards, this will take effect from July 1, 2024 for compliance with supervisory reporting requirements, and January 1, 2025 for compliance with capital adequacy and disclosure requirements; and (c) for the output floor transitional arrangement, this will commence from July 1, 2024 and reach full phase-in on January 1, 2029, with the phase-in timing being as follows:

- 50% with effect from July 1, 2024;
- 55% with effect from January 1, 2025;
- 60% with effect from January 1, 2026;
- 65% with effect from January 1, 2027;
- 70% with effect from January 1, 2028; and
- 72.5% with effect from January 1, 2029.”

2. deleting the existing tenth paragraph of the risk factor and substituting with the following:

“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. On June 24, 2022, MAS re-issued MAS Notice 649, which took effect on July 1, 2022.

Under MAS Notice 649, a bank in Singapore 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**”) and an all currency LCR (“**all currency LCR requirement**”) of at least 100%. Such a bank is also required to comply with the Singapore Dollar LCR requirement and all currency LCR requirement on a consolidated level, which consolidates the assets and liabilities of all its banking group entities, subject to certain exceptions. 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.”

- E. The risk factor “**Terrorism, epidemics and other events could adversely affect the economies of countries where we operate and our business.**” beginning on page 40 of the Offering Memorandum shall be deleted in its entirety and substituted therefor with the following:

“Terrorist attacks, natural calamities and outbreaks and resurgences 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 outbreak of COVID-19 over the past three years resulted in, among other things, impacted supply chain, resulted in border and domestic movement controls and increased volatility in international capital markets.

Although COVID-19 is now evolving into a more liveable endemic, 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 any resurgent 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 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.”

- F. The risk factor “**Compliance with solvency and risk-based capital requirements as well as other regulatory changes may impact our insurance subsidiaries.**” beginning on page 43

of the Offering Memorandum shall be deleted in its entirety and substituted therefor with the following:

“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 utilise a risk-based capital regime.

Moreover, Great Eastern Holdings has been approved by the MAS as a 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. Great Eastern Holdings has also been designated as a designated financial holding company under Section 4 of the Financial Holding Companies Act 2013 of Singapore, specifically a Tier 1 designated financial holding company (“**DFHC**”) (Licensed Insurer) under the Financial Holding Companies (Corporate Governance of Designated Financial Holding Companies with Licensed Insurer Subsidiary) Regulations 2022, and is therefore subject to the requirements thereunder relating to DFHCs. The Financial Holding Companies Act 2013 contains provisions requiring designated financial holding companies to, amongst other things, maintain minimum paid-up capital amounts, adhere to capital adequacy requirements, and leverage ratios.

On 28 February 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 31 March 2020, with the exception of section 6.4 and paragraph 10 in Appendix 5E, which took effect on 1 January 2022. MAS Notice 133 was last updated on December 19, 2022 to reflect the revision in illiquidity premium from 75 basis points to 65 basis points in Appendix 3G as part of MAS regular review performed on the illiquidity premium calibration and credit spread movements.

International Association of Insurance Supervisors (“**IAIS**”) is a voluntary membership organisation 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 9 October 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.”

- G. The risk factor “***Changes in accounting principles relating to financial instruments may have an impact on the Group’s financials and regulatory capital ratios.***” beginning on page 45 of the Offering Memorandum shall be deleted in its entirety and substituted therefor with the following:

“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.

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. Great Eastern Holdings has adopted SFRS(I) 17 on the required effective date.”

- H. The risk factor “***We may not continue to enjoy tax concessions under Singapore tax laws.***” beginning on page 58 of the Offering Memorandum shall be deleted in its entirety and substituted therefor with the following:

“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, 2028 are, pursuant to the Income Tax Act 1947 of Singapore (“**ITA**”) and the MAS Circular FDD Cir 08/2023 entitled “Qualifying Debt Securities (“**QDS**”) and Primary Dealer Schemes – Extension and Refinements” issued by the MAS on May 31, 2023, intended to be “qualifying debt securities” for the purposes of the 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 or MAS circulars be amended or revoked at any time.”

MANAGEMENT

The section “**MANAGEMENT**” beginning on page 322 of the Offering Memorandum shall be amended as follows:

- A. The first paragraph shall be deleted in its entirety and substituted therefor with the following:

“OCBC Bank is governed and supervised by its Board of Directors which, as of the date of this Pricing Supplement, consists of nine members. The full Board meets at least four times a year, but may meet more often depending on the circumstances. In addition, there are seven Board Committees – the Executive, Nominating, Audit, Remuneration, Risk Management, Ethics and Conduct and Board Sustainability 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.”

- B. The sub-section “**Board of Directors**” shall be deleted in its entirety and substituted therefor with the following:

“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. Andrew Lee Kok Keng.....	Director
Ms. Chong Chuan Neo.....	Director

Mr. Chua Kim Chiu	Director
Dr. Andrew Khoo Cheng Hoe	Director
Dr. Lee Tih Shih.....	Director
Ms. Christina Ong.....	Director
Mr. Pramukti Surjaudaja.....	Director
Ms. Tan Yen Yen.....	Director
Ms. Helen Wong.....	Director

Mr. Andrew Lee Kok Keng was appointed to the Board on 18 February 2022 and last re-elected as a Director on 22 April 2022. He assumed the role of Board Chairman on 1 February 2023. He is a veteran banker with more than 30 years of financial services experience in Standard Chartered Bank, OCBC Bank, Great Eastern Life Assurance and BCS Information as their Executive Chairman. Mr Lee currently serves on the board of OCBC Al-Amin Bank Berhad, OCBC Management Services Pte Ltd, Great Eastern Holdings Ltd and Nordic Group Ltd. He holds the Bachelor of Arts from University of Singapore and Bachelor of Social Science (Honours in Economic) from University of Singapore.

Ms. Chong Chuan Neo was appointed to the Board on 18 February 2022 and last re-elected as a Director on 22 April 2022. She spent over 29 years at Accenture where she held senior and practice leadership roles covering various industries and countries in Asia Pacific. She was the Chairman and CEO of Accenture Greater China from 2015 to 2018 and a member of the Global Leadership Council. In the past three years, she has been actively involved in sustainability and innovation initiatives at a private equity portfolio company in China. Ms Chong is a Board Director of OCBC Bank (Hong Kong) Ltd. She also serves on the board of iShine Cloud Ltd, Lion Global Investors Ltd, MODA Solutions (BCR Shanghai), Raffles Medical Group Ltd, SIA Engineering Company Ltd and is an Operating Director at Partners Group. She holds the Bachelor of Science (Computer Science and Mathematics) from National University of Singapore and attended the Management and Executive Programs in Business and Leadership in IMD Lausanne, Switzerland.

Mr. Chua Kim Chiu was appointed to the Board on 20 September 2017 and last re-elected as a Director on 25 April 2023. He is currently a Professor (Practice) in Accounting, National University of Singapore (“NUS”) Business School, NUS since 2016, after retiring as a partner from PricewaterhouseCoopers where he had a long and distinguished career of over 35 years. He is a member of the Audit and Risk Committee of National University Health System Pte Ltd and a member of the Singapore Intellectual Property Strategy 2030 (SIPS 2030) Task Force of the Institute of Valuers and Appraisers, Singapore, and serves as a Board Director of MPACT 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, a member of Chartered Accountants Australia and New Zealand and a Fellow Chartered Certified Accountant, United Kingdom.

Dr. Andrew Khoo Cheng Hoe was appointed to the Board on 8 March 2021 and last re-elected as a Director on 29 April 2021. He spent 22 years in the Monetary Authority of Singapore holding several key positions. He retired as its Deputy Managing Director (Corporate Development). He is currently the Board Chairman of OCBC Bank (Hong Kong) Ltd and Board Director of Bank of Ningbo Co., Ltd. He serves on the board of the National Environment Agency of Singapore

and Stroke Support Station. Dr Khoo holds a Doctor of Philosophy from the University of Melbourne and a Bachelor of Economics (Honours) from Monash University. He is also a member of CPA Australia.

Dr. Lee Tih Shih was first appointed to the Board on 4 April 2003 and last re-elected as a Director on 25 April 2023. Dr Lee, an Associate Professor at the Duke-NUS Medical School Singapore, has held senior roles in OCBC Bank and the Monetary Authority of Singapore. 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 15 February 2016 and last re-elected as a Director on 22 April 2022. She is a lawyer specialising in corporate and financial services and presently the Chairman and Senior Partner of Allen & Gledhill LLP as well as the Co-Head of its Financial Services Department. 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, OCBC Management Services Pte 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 1 June 2005 and last re-elected as a Director on 29 April 2021. He has been with OCBC NISP for 35 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, 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 and has participated in Special Programs in International Relations at the International University of Japan.

Ms. Tan Yen Yen was appointed to the Board on 1 January 2020 and last re-elected as a Director on 25 April 2023. She is a highly regarded IT practitioner for many years with vast experiences from SAS Institute, Oracle Corporation, Hewlett-Packard Singapore and Vodafone Enterprise Singapore. She now focuses on non-executive roles on boards and corporate advisory roles. Ms. Tan is presently a Board Director of ams OSRAM AG, Barry Callebaut AG, EdgeConnex Inc, In.Corp Global Pte Ltd, Jardine Cycle & Carriage Ltd, and The Y Journey Pte Ltd. She also serves as Chairman of the SpexBusiness Network Advisory Board of Ministry of Culture, Community and Youth (High Performance Sports) and Singapore Science Centre. 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.

Ms. Helen Wong was appointed to the Board on 7 February 2023 and last re-elected as a Director on 25 April 2023. She joined OCBC Bank in February 2020 and was appointed its Group Chief Executive Officer on 15 April 2021. She has 40 years of banking experience with deep knowledge of Greater China. She spent 27 years at HSBC, where her last role was its

Chief Executive for Greater China. Ms Wong is presently a Board Commissioner of OCBC NISP, the Board Chairman of OCBC Wing Hang Bank (China) Ltd, and a Board Director of other major OCBC Group companies, including Great Eastern Holdings Ltd, Bank of Singapore Ltd, OCBC Bank (Malaysia) Berhad, OCBC Bank (Hong Kong) Ltd, and OCBC Overseas Investments Pte Ltd. She is a Board Director of Dr. Goh Keng Swee Scholarship Fund and Enterprise Singapore, Council Member of the Institute of Banking & Finance Singapore and The Association of Banks in Singapore and is a Member of the Advisory Board of the Asian Financial Lenders Programme, MAS Financial Centre Advisory Panel, MAS Financial Sector Tripartite Committee, MAS Payments Council, and CNBC ESG Council. She also serves as Board Member of the Institute of International Finance. Ms. Wong holds a Bachelor of Social Sciences from the University of Hong Kong.”

- B. The sub-section “Board Committees” shall be deleted in its entirety and substituted therefor with the following:

“The composition of our Board Committees satisfies the independence requirements of the Banking (Corporate Governance) Regulations 2005, 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 Dr. Lee Tih Shih (Chairman), Mr. Andrew Lee and Dr. Andrew Khoo. A majority of the Executive Committee, i.e. Dr. Andrew Khoo and Mr. Andrew Lee, are independent Directors.

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 the OCBC Bank and the OCBC Group. It reviews the Bank’s 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 Dr. Andrew Khoo (Chairman), Mr. Andrew Lee, Ms. Christina Ong, Mr. Pramukti Surjaudaja and Ms. Tan Yen Yen. All members, other than Mr. Pramukti Surjaudaja, are independent Directors.

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 organisation 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, Ethics and Conduct Committee and Board Sustainability Committee. The Nominating Committee also has oversight of 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 assesses annually the profile of Board members individually and collectively, having regard to the skills, talents, experience and diversity required and their alignment with OCBC Group's strategic priorities, 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 consider a shortlist of candidates with the appropriate profile and qualities for nomination. To improve gender and other aspects of diversity as well as skills, talents and experience in ESG matters, the Nominating Committee may engage external search consultants to identify suitable director candidates from a wider pool. Short listed candidates are assessed by the Nominating Committee and recommendations submitted to the Board for review and appointment, subject to the approval of MAS. In accordance with our Constitution, the new Director will hold office until the next Annual General Meeting and, if eligible, may then stand for re-election.

Audit Committee

The Audit Committee comprises Mr. Chua Kim Chiu (Chairman), Ms. Chong Chuan Neo and Ms. Tan Yen Yen. All Audit Committee members, including the Chairman, are independent Directors and have recent and relevant accounting or related financial management expertise or experience. The Audit Committee members are not partners of PricewaterhouseCoopers LLP, the external auditor of the Bank, and hold no financial interest in the firm.

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 the corporate governance regulations and guidelines issued by the MAS.

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 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.

The Audit Committee adopts, where appropriate, relevant best practices set out in the Guidebook for Audit Committees in Singapore.

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 the Bank, 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 the Bank's 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 assesses the quality of OCBC Bank's external auditor before its first appointment and at least annually thereafter. The selection of the external auditor is made through a tender process based on an established framework for the selection/ appointment of OCBC Bank's external auditor. This framework lists the considerations and criteria for the external auditor and provides a robust tender process. Considerations include having global reach as well as technical and industry expertise, skills, resources and reputation, and quality of service delivery.

Exercising oversight over the external audit function, the Audit Committee is responsible for making recommendations to the Board in relation to the appointment, reappointment and removal of the external auditor. The Audit Committee also considers the annual fee proposals presented by the external auditor and reviews the scope of the audit plan, the level of materiality, areas of focus and significant risks to be addressed.

The Audit Committee approves the Internal Audit Charter of 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 prioritised 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 advisory 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 reviewing the independence, effectiveness and standing of the internal audit function and adequacy of resources needed to achieve the internal audit objectives. The Audit Committee reviews the processes that are in place to deal with recommendations raised in internal audit reports in a timely manner and to closely monitor outstanding exceptions or recommendations. The division is organised 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 Ms. Christina Ong (Chairman), Mr. Andrew Lee, Dr. Andrew Khoo and Mr. Pramukti Surjandaja. All Remuneration Committee members are non-executive Directors and, other than Mr. Pramukti Surjandaja, are also independent Directors. All members are knowledgeable 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 its 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. Andrew Lee (Chairman), Mr. Chua Kim Chiu, Ms. Tan Yen Yen and Ms. Helen Wong. All members of the Risk Management Committee, other than Ms. Helen Wong, are independent Directors. All members have the relevant technical financial expertise in risk disciplines or businesses to discharge their responsibilities. Mr. Chua Kim Chiu and Ms. Tan Yen Yen also serve on the Audit Committee. The common membership helps to facilitate communication and foster the sharing of information and knowledge between the Audit Committee and Risk Management Committee.

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, information security and digital, conduct, money laundering and terrorism financing, legal, regulatory, reputational, strategic as well as ESG risks.

The Risk Management 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 organisational culture firmly founded on the Bank's LIFRR core values and the spirit of long-term thinking. The Ethics and Conduct Committee comprises Ms. Christina Ong (Chairman), Ms. Chong Chuan Neo and Mr. Andrew Lee. All Ethics and Conduct Committee members are independent Directors.

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 programmes 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 behaviours, ethics, culture and conduct.

Board Sustainability Committee

The Board Sustainability Committee was established on 7 February 2023 to support the Board in its oversight of the Bank's sustainability matters. The Board Sustainability Committee comprises Ms. Chong Chuan Neo (Chairman), Mr. Andrew Lee and Ms. Helen Wong. The members, other than Ms. Helen Wong, are independent Directors.

The Committee has written terms of reference that describe the responsibilities of its members.

The Committee provides strategic direction on sustainability issues, with a focus on climate and environmental matters. It approves and oversees the management and monitoring of ESG factors that are material to the business and considers the Bank's position on relevant emerging sustainability trends and issues. It also has oversight of the Bank's sustainability reporting including climate-related disclosures."

- C. The sub-section "**Senior Management**" shall be deleted in its entirety and substituted therefor with the following:

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
Ms. Goh Chin Yee.....	Group Chief Financial Officer
Mr. Noel Gerald DCruz	Group Chief Risk Officer
Mr. Lim Kiang 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. Tan Chor Sen.....	CEO, OCBC Malaysia
Ms. Parwati Surjaudaja.....	President Director and CEO, Bank OCBC NISP
Ms. Ivy Au-Yeung.....	CEO, OCBC Hong Kong
Mr. Wang Ke	CEO, OCBC Wing Hang Bank (China) Limited
Mr. Linus Goh	Head, Global Commercial Banking
Ms. Elaine Lam.....	Head, Global Corporate Banking
Mr. Jason Moo	CEO, Bank of Singapore
Mr. Gan Kok Kim	Head, Global Investment Banking
Mr. Melvyn Low.....	Head, Global Transaction Banking
Ms. Lee Hwee Boon	Head, Group Human Resources
Mr. Praveen Raina.....	Head, Group Operations and Technology
Ms. Loretta Yuen	Head, Group Legal and Compliance
Ms. Koh Ching Ching.....	Head, Group Brand and Communications
Mr. Harry Lim.....	Head, Group Audit
Ms. Sylvia Ng ¹	Head, Strategic Planning Office

Ms. Helen Wong was appointed Group Chief Executive Officer of OCBC Bank on 15 April 2021 and Executive Director on 7 February 2023. She is also Chairman of OCBC Wing Hang Bank (China), 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 IBF Singapore. She also serves as a board member at Enterprise Singapore, and 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 40 years of banking experience, having started out as a Management Trainee in OCBC Bank and was

¹ On 24 July 2023, OCBC Bank announced the appointment of Mr. Choong Wai Hong as the new Head of Strategic Planning Office, who will succeed Ms. Sylvia Ng from 19 August 2023.

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 recognise 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.

Ms. Goh Chin Yee was appointed Group Chief Financial Officer in November 2022, with global responsibility over financial, regulatory and management accounting, treasury financial control and advisory, corporate planning and development, corporate treasury, capital management and investor relations. Prior to this appointment, Ms. Goh was the Head of Group Audit since March 2013, overseeing the full spectrum of internal audit activities in OCBC Group. She has also worked in diverse functions in the Group, covering strategic management, investment research, fund management, finance, risk management and treasury business management. Ms Goh graduated with First Class Honours in Bachelor of Engineering from the National University of Singapore and holds the professional qualifications of Chartered Financial Analyst, Certification in Risk Management Assurance and Certified Internal Auditor. She also serves as a Governor and Vice President of The Institute of Internal Auditors Singapore.

Mr. Noel Gerald DCruz was appointed Group Chief Risk Officer (“**GCRO**”) on 1 January 2023. As GCRO, he has overall responsibility for the management of risk, including Credit, Market, Liquidity, Operational, and Environmental Social Governance (ESG) for OCBC’s businesses in Singapore, Malaysia and other overseas markets. In addition, he was concurrently appointed as Group Chief Information Security Officer responsible for Cyber & Information Security. He reports jointly to both Group CEO and the Board Risk Committee of OCBC Bank. Mr. DCruz joined the Bank in 1989 after a stint in the Monetary Authority of Singapore and rose through the ranks to head both the Group Risk Portfolio Management department as well as the Group Data Management Office. He has been closely involved in the re-organisation and reinforcement of the Bank’s credit risk management function with dedicated policy, underwriting, analytics, remediation and data units, and the establishment of the Credit Risk Management Committee. Mr. DCruz led the OCBC Group Basel programme to develop internal ratings-based approaches for credit management and capital adequacy assessments and later the modelling approaches for Expected Credit Loss portfolio allowances. In 2017, he also established the Group Data Management Office to drive implementation of a Group-wide data governance and management framework. Mr. DCruz holds a degree in Economics from the London School of Economics and Political Science.

Mr. Lim Kiang Tong was appointed Group Chief Operating Officer (“**GCOO**”) in June 2021. As GCOO, he develops and drives transformation efforts in modernising the Bank’s technology architecture, streamlining processes and instituting a data-driven and customer-centric culture 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 and 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. Currently, Mr Lim is a member of IBM Services Client Advisory Board (Asia Pacific), Huawei Financial Industry Advisory Board and Ministry of Finance – The Info-comm Technology Projects Advisory Panel. He holds a Bachelor of Science in Computer Science and Economics from the National University of Singapore and is an 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 centres. 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 15 March 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 29 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 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 with First Class Honours from the National University of Singapore.

Mr. Sunny Quek was appointed Head of Global Consumer Financial Services in October 2022 and has been the Head of Consumer Financial Services Singapore since 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 25 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 1 October 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 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 assignment to Hong Kong in 2009. 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. Tan Chor Sen was appointed Chief Executive Officer of OCBC Malaysia on 1 January 2023. His over 35 years of banking experience began in commercial banking with postings in consumer banking and later several positions in corporate and offshore banking. Mr Tan joined OCBC Bank in Singapore in 2005 as Head of Emerging Business and led the formation of the unit. During this time, he redefined the Bank's coverage of small businesses, positioning OCBC Bank as a leading SME bank in Singapore serving one in every two SMEs. He was instrumental in expanding the SME business regionally in Malaysia, Indonesia and Hong Kong, introducing new business models, digital solutions and service innovations tailored for SMEs. For Malaysia, he oversaw the launch of the SME cash business and digital account opening for businesses. In 2012, Mr Tan was appointed Head of International, Global Commercial Banking. In addition to overseeing the growth of the emerging business segment in OCBC Bank's core markets, he became responsible for developing cross-border capabilities and business within the region, leveraging the OCBC network and partner banks in key markets. In the decade under his leadership, he progressively led the Bank's strategic thrust in capturing the cross-border trade and investment flows within ASEAN and with Greater China. He holds a Bachelor of Business Administration from the National University of Singapore and is an IBF Fellow (Corporate Banking).

Ms. Parwati Surjandaja 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. Surjandaja, 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 is a pioneer in ESG initiatives in the region through the deployment of green and gender financing. For her strong commitment, she is elected as one of G20 EMPOWER Advocates for gender equality as well as spoke in various international forums such as the World Bank Annual Meeting on Gender Equality, Washington DC and Bloomberg Sustainability Business Summit, London. She was named Fortune Indonesia's Businessperson of the Year in 2021. Under her leadership, the Bank has received prestigious awards including the Bank of the Year Country Award for five consecutive years since 2018 from The Banker,

London, Honourable Mention by the UN Women-WEPs Awards 2020 on the Gender Inclusive Workplace and Gender-Responsive Marketplace in 2021, and Top 5 Workplace – LinkedIn Top Companies Indonesia in 2022. Ms. Surjandaja 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 Hong Kong on 20 May 2021. She joined OCBC Hong Kong as Deputy Chief Executive in December 2019.

Ms 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 Hong Kong, 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 CPA Australia (FCPA).

Mr. Wang Ke was appointed CEO of OCBC Wing Hang Bank (China) on 9 December 2019 and was approved to expand his role as the Director of OCBC Wing Hang Bank (China) in February 2020. He joined OCBC Wing Hang Bank (China) (previously the OCBC Bank (China)) 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 Bank (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), 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 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, serving start-ups, SMEs, mid-cap corporates and financial institutions globally. 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 is a member of the Pro-Enterprise Panel under the Ministry of Trade and Industry, and actively supports the development of start-ups and SMEs in Singapore having served in Seeds Capital Private Limited and the SME Committee under the Singapore Business Federation. 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 industry groups

including real estate, infrastructure, energy, utilities, transportation, technology, conglomerates, industrials, the public sector, regional coverage groups and Greater China Business Office as well as OCBC Bank's corporate banking business in the overseas branches and subsidiaries. She is also responsible for driving the Structured Finance, Sustainable Finance and Partnership & Innovation groups within Global Corporate Banking. With more than 26 years of experience in corporate banking, Ms. Lam 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 presently serves as Singapore's APEC Business Advisory Council (ABAC) member in championing Singapore's business interests at the ABAC. 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. Jason Moo was appointed Chief Executive Officer of Bank of Singapore in March 2023. He joined Bank of Singapore from Julius Baer, where he was Head Private Banking Southeast Asia and Branch Manager Singapore. Prior to joining Julius Baer in 2020, Jason worked at Goldman Sachs for more than two decades and has held several senior roles, including CEO of Goldman Sachs Singapore and Head of Southeast Asia and Australia for Private Wealth Management (PWM). Before relocating back to Singapore, he was based in Hong Kong as Head of Market Solutions Group and Head of Alternative Capital Markets Asia Pacific. Prior to that, he worked in the Equities Merchandising Group in New York. He joined Goldman Sachs as a financial analyst in PWM in Singapore upon graduation. Mr. Moo earned a BA in Economics and East Asia Studies, with a focus on Japan, from Brown University, USA. He serves on the Board of Governors of Raffles Institution.

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 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 33 years of trading, investment banking, and management experience and has held various positions in a global bank. He holds a Bachelor of Science in Economics from the Massachusetts Institute of Technology.

Mr. Melvyn Low has responsibility for OCBC Bank's transaction banking business serving SMEs, large corporations, financial institutions and government entities across the Bank's core markets of Singapore, Malaysia, China, Hong Kong and Indonesia. He is an industry veteran with more than 30 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.

Ms. Lee Hwee Boon was appointed Head of Group Human Resources in June 2022. She is responsible for the management, training and development of our human capital. Prior to this appointment, Ms. Lee has worked in diverse functions in the OCBC Group, covering strategy, risk management as well as corporate and commercial banking. She holds a Bachelor of Business with Honours from Nanyang Technological University and is an IBF Fellow.

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. 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 has 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.

Mr. Harry Lim was appointed Head of Group Audit in May 2023. He oversees the full spectrum of internal audit activities for OCBC Bank and its subsidiaries. He reports directly to the Audit Committee and administratively to the Group CEO. Mr. Lim joined OCBC Bank in May 2012 as Head of Internal Audit of the former OCBC Bank (China) (based in Shanghai), where he oversaw the smooth integration of the audit teams in the former OCBC Bank (China) and OCBC Wing Hang Bank (China). He was then appointed as Head of Greater China Audit in 2017 (based in Hong Kong), where he managed the Mainland China, Hong Kong and Macau audit teams, and expedited the full adoption of Group Audit's methodology and standards by the Hong Kong and Macau audit teams. Prior to joining OCBC Bank, Mr. Lim spent seven years in the Singapore and Hong Kong offices of JP Morgan Chase covering internal audit for various trading business units including commodities, equities and emerging markets. He also spent five years in Credit Suisse First Boston in a regional oversight and governance role and in market risk reporting and analysis. He graduated with a Bachelor of Business Administration in

Finance from the National University of Singapore and holds the professional qualifications of Chartered Financial Analyst and Certification in Risk Management Assurance.

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 Programme. On 24 July 2023, OCBC Bank announced the appointment of Mr. Choong Wai Hong as the new Head of Strategic Planning Office, who will succeed Ms. Sylvia Ng from 19 August 2023."

REGULATION AND SUPERVISION

The section "**SUPERVISION AND REGULATION**" beginning on page 341 of the Offering Memorandum shall be deleted in its entirety and substituted therefor with the following:

"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 licence under the SFA and from holding a financial adviser's licence 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 centre.

The Regulatory Environment

Enhancing access to SGD and USD funding due to the COVID-19 pandemic

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. It was announced on June 17, 2021 that the MAS USD Facility will also be extended to December 31, 2021. Based on the announcement by the MAS on December 24, 2021, the MAS USD Facility expired on December 31, 2021.

The MAS also indicated that it would 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 Programme. On February 18, 2022, the MAS announced that it will further extend the MAS SGD Facility for ESG Loans from April 1, 2022 to September 30, 2022. A revised interest rate of 0.5% per annum will apply for funding provided from the May 2022 application window onwards to better reflect interest rates in Singapore.

Framework for Systemically Important Banks in Singapore

OCBC Bank was designated as a D-SIB in Singapore on April 30, 2015. The framework for D-SIBs is set out in 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, locally-incorporated D-SIBs are subject to higher loss absorbency requirement, which may have an adverse effect on OCBC Bank's return on capital and profitability.

Capital Adequacy Ratios ("CAR")

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 capitalisation 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 securitisation required under 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 summarises 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

Under MAS Notice 637, Singapore-incorporated banks are also required to maintain, at both the Solo and Group levels, a minimum leverage ratio of 3% at all times.

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 standardised 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 standardised 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 securitisation 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 securitisation framework. These strengthen capital standards for securitisation exposures, while providing a preferential capital treatment for simple, transparent and comparable securitisations. The framework for IRRBB, which was finalised 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 recognised 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 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 prioritise 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 standardised 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.

On March 30, 2022, the MAS issued a consultation paper on “Draft Public Disclosure Requirements for Regulatory Capital” seeking feedback on draft public disclosure requirements for regulatory capital for Singapore-incorporated banks. The draft provisions which are set out in MAS Notice 637 take into account standards relating to public disclosure requirements in the consolidated Basel Framework published by the Basel Committee on Banking Supervision. In particular, the MAS has stated that the draft amendments to Part XI of MAS Notice 637 will enhance market discipline by reflecting amendments to other parts of MAS Notice 637 which implements the final Basel III reforms, and improve the consistency and comparability of disclosure across Singapore-incorporated banks.

With effect from January 1, 2023, MAS Notice 637 was amended to: (a) implement the revised Pillar 3 disclosure requirements for interest rate risk in the banking book published by the Basel Committee on Banking Supervision; (b) implement a -100bps interest rate floor on the post-shock interest rates under the standardised interest rate shock scenarios set out in Annex 10C of MAS Notice 637; (c) provide additional clarity on the application of interest rate floors, interest rate caps, and pass-through rates when computing IRRBB under the standardised interest rate shock scenarios; and (d) implement various other technical revisions.

On June 8, 2023, the MAS announced that most of the final Basel III reforms in Singapore will come into effect from July 1, 2024. The requirements in the revised MAS Notice 637 will take effect as follows: (a) for all standards other than the revised market risk and credit valuation adjustment (“**CVA**”) standards, this will take effect from July 1, 2024; (b) for the revised market risk and CVA standards, this will take effect from July 1, 2024 for compliance with capital adequacy and disclosure requirements; and (c) for the output floor transitional arrangement, this will commence from July 1, 2024 and reach full phase-in on January 1, 2029, with the phase-in timing being as follows:

- 50% with effect from July 1, 2024;
- 55% with effect from January 1, 2025;
- 60% with effect from January 1, 2026;
- 65% with effect from January 1, 2027;
- 70% with effect from January 1, 2028; and
- 72.5% with effect from January 1, 2029.

On May 26, 2022, the MAS imposed on OCBC Bank an additional capital requirement given deficiencies in OCBC Bank’s response to a wave of spoofed SMS phishing scams in December 2021. The MAS has required OCBC Bank to apply a multiplier of 1.3 times to its risk-weighted assets for operational risk. This translates to an additional amount of approximately S\$330 million in regulatory capital (based on reported financial statements as March 31, 2022). Following the scams, OCBC Bank engaged an independent firm to review its systems and processes. Deficiencies were noted in OCBC Bank’s mitigation of identified risks, pre- and post-transaction controls, incident management and complaints handling, resulting in delays in containment measures and customer response time. The additional capital requirement imposed takes into consideration actions taken by OCBC Bank to strengthen its controls and its approach to resolving customer complaints following the incident. The additional capital requirement will be reviewed when MAS is satisfied that OCBC Bank has addressed all deficiencies identified in the review.

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 June 24, 2022), 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 June 24, 2022.

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 653 was last revised on June 24, 2022.

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 in 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 computed during the relevant two-week period beginning on a

Thursday and ending on a Wednesday. With effect from July 1, 2022, MAS Notice 758 has been amended to include the definition of Qualifying Liabilities under MAS Notice 649. Consequent to which, MAS Notice 613 which was previously referenced in MAS Notice 758 in relation to the definition of Qualifying Liabilities has been cancelled with effect from July 1, 2022.

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 standardised 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 recognise 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 recognise the additional loss allowance by establishing a non-distributable regulatory loss allowance reserve account 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 minimise 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.

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 authorised by the MAS or if carried on in Singapore, would be regulated or authorised 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 authorised 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.

Major stake and investment restrictions

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 stabilising 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).

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 2013 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 2013 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 2013 Guidelines). The 2013 Guidelines also encourage the separation of the roles of Chairman and CEO and outline how this is to be applied. The 2013 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.

The Corporate Governance Code was further amended on January 11, 2023 to reflect amendments made by the Singapore Exchange Regulation to the listing rules of the SGX-ST. The amendments introduced a nine-year tenure limit for independent directors and mandatory remuneration disclosure for each individual director and CEO. The revisions are in line with the recommendations made by the Corporate Governance Advisory Committee.

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 (Corporate Governance) 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 took effect from January 1, 2022 and apply to the annual reports covering financial years commencing from that date, with the bulk of the other guidelines taking effect 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

Licensing

The MAS issues licences under the Banking Act to banks to transact banking business in Singapore. Such licences may be revoked if the MAS is satisfied, among other things, that the bank holding that licence: (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 licence which is or are false or misleading in a material particular; (c) if it is a bank incorporated outside Singapore, has had its bank licence 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 offence under the Banking Act or any of its directors or officers holding a managerial or executive position has been convicted of any offence 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 licence 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.

Priority of liabilities in winding up

Section 61(1) of the Banking Act provides that, where a bank becomes unable to meet its obligations or becomes insolvent or suspends payment, the assets of that bank in Singapore are available to meet all liabilities in Singapore of the bank specified in Section 62(1) of the Banking Act (the “**Specified Liabilities**”). The Specified Liabilities 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 (“**IRDA**”).

Under Section 62(1) of the Banking Act, the Specified Liabilities are (and in the event of a winding up of a bank will, among themselves, rank in the following order of priority notwithstanding the provisions of any written law or any rule of law relating to the winding up of companies): (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 (“**SDIC**”) 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 Specified Liabilities of the same class referred to in each of paragraphs (i) to (v) above, such liabilities shall rank equally between themselves and are to be paid in full unless the assets of the bank are insufficient to meet them in which case they are to abate in equal proportions between themselves.

Deposit Insurance Scheme

SDIC administers the Deposit Insurance Scheme (“**DI Scheme**”) in accordance with the Deposit Insurance and Policy Owners’ Protection Schemes Act for the purposes of providing limited compensation to insured depositors under certain circumstances. All licensed full banks in Singapore are DI Scheme members unless exempted by the MAS. 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. The MAS has on June 27, 2023 published a Consultation Paper on Proposed Enhancements to the Deposit Insurance Scheme in Singapore proposing to raise the deposit insurance coverage limit to S\$100,000 per depositor with effect from April 1, 2024 so as to restore the percentage of fully-covered insured depositors to 91%.

Notification of material adverse development

Section 48AA of the Banking Act (as amended by 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.

Removal of Domestic Banking Unit and Asian Currency Unit

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 cancelled and superseded by a new MAS Notice 610 which took effect from July 1, 2021. MAS Notice 610 was last revised with effect from January 31, 2022.

Privacy of customer information

Unless otherwise expressly provided in the Banking Act, a bank in Singapore and its officers may not disclose customer information to any other person without the written consent of the customer. On June 29, 2021, the MAS published MAS Notice 657 Privacy of Customer Information – Conditions for Disclosure of Customer Information by Auditors ("**MAS Notice 657**") which applies to all banks and their external auditors. MAS Notice 657 sets out the conditions which an auditor must comply with before disclosing any customer information to an employee of the Accounting and Corporate Regulatory Authority referred to in the Third Schedule of the Banking Act. MAS Notice 657 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.

Under Division 4A of Part 4B of the MAS Act, the MAS has statutory bail-in powers 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 statutory bail-in powers of the MAS are provided under regulation 23 of the Monetary Authority of Singapore (Resolution of Financial Institutions) Regulations 2018 (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, cancelled, 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 MAS has the power 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 (which prevent parties from exercising termination rights that arise out of the MAS’ exercise of resolution powers and in the case of Section 84, during the period of the temporary stay). 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, were also extended to reverse and onward transfers of business with effect from November 1, 2021.

On May 11, 2022, the Financial Services and Markets Act 2022 (“**FSM Act**”) was gazetted. The FSM Act is an omnibus statute for the sector-wide regulation of financial services and markets. The FSM Act is being implemented in phases, with the first phase having commenced on April 28, 2023. The remaining phases are targeted to be implemented between the second half of 2023 and 2024. When the FSM Act fully comes into force, the resolution powers of the MAS under the MAS Act will be moved over to the FSM Act.

On March 22, 2023, the MAS issued a statement on Additional Tier 1 instruments issued by Singapore-incorporated banks. The MAS announced that in exercising its powers to resolve a financial institution (which includes Singapore-incorporated banks), it intends to abide by the hierarchy of claims in liquidation, meaning that equity holders will absorb losses before holders of Additional Tier 1 and Tier 2 capital instruments. Further, creditors who receive less in a resolution compared to what they would have received had the financial institution been liquidated would be able to claim the difference from a resolution fund that would be funded by the financial industry..

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 offence 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 jeopardise 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 cancelled 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, 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.

The first phase of the FSM Act which commenced on April 28, 2023 relates to the porting over of the provisions from the MAS Act relating to: (a) general powers over financial institutions, including inspection powers, offences and other miscellaneous provisions; (b) the anti-money laundering and countering the financing of terrorism framework for financial institutions; and (c) the Financial Dispute Resolution Schemes framework, into the FSM Act. When the remaining phases of the FSM Act come into effect, it will, amongst others, introduce a harmonised and expanded power for the MAS to issue prohibition orders against persons who are not fit and proper from engaging in financial activities regulated by the MAS or performing any key roles of functions in the financial industry that are prescribed, in order to protect a financial institution's customers, investors or the financial sector. This broadens the categories of persons who may be subject to prohibition orders and widens the scope of prohibition to cover functions critical to the integrity and functions of financial institutions. The MAS has stated that it will continue to exercise its prohibition order powers judiciously taking into account the nature and severity of each misconduct, and its actual and potential impact on trust in the financial sector. These expanded powers apply to persons working in banks.

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-STIS 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-STIS released its response to feedback received on the consultation report in which the SC-STIS 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-STIS 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.

On July 29, 2020, the ABS-SFEMC and SC-STIS released a consultation report “Public Consultation on SIBOR Reform and the Future Landscape for SGD Interest Rate Benchmarks” proposing for the transition of legacy contracts referencing SIBOR to be done in a phased approach. On December 11, 2022, the ABS-SFEMC and SC-STIS released the response to feedback received on the consultation proposals noting broad support from the industry of the proposals and encourage market participants to shift away from usage of SIBOR as soon as possible to reduce reliance on a benchmark that will be discontinued and to contribute to the deepening of new SORA markets.

On May 18, 2022, the SC-STS released a consultation report “Consultation on Adjustment Spreads for the Conversion of Legacy SOR Contracts to SORA” setting out recommendations for the setting of adjustment spreads for the conversion of legacy Singapore dollar Swap Offer Rate contracts to a SORA reference rate. On July 18, 2022, the SC-STS released the response to feedback received on the consultation paper noting broad support from the industry for SC-STS’ recommendations and setting out the finalised approach for: (a) setting the adjustment spreads within the MAS Recommended Rate in ISDA IBOR 2020 Fallbacks Protocol, Supplement number 70 to the 2006 ISDA Definitions and the 2021 ISDA Interest Rate Derivatives Definitions as well as the SC-STS’ recommended contractual fallbacks for bilateral and syndicated corporate loans. These fallbacks will apply when Fallback Rate (SOR) is discontinued after December 31, 2024; (b) supplementary guidance on adjustments spreads for the period until December 31, 2024; and (c) application of the SC-STS supplementary guidance to active transition across various product types.

On December 14, 2022, the SC-STS published the “Implementation of Supplementary Guidance on Adjustment Spreads for the Conversion of Legacy SOR Loans to SOR” (the “**Supplementary Guidance**”). The Implementation Paper sets out technical details for the implementation of SC-STS’ supplementary guidance on adjustment spreads for the conversion of SOR contracts to SORA. The Supplementary Guidance includes the formula and computation of the MAS Recommended Rate (“**MRR**”) Adjustment Spreads and the Reference Spot Spreads (“**RSS**”) and the formula for interpolation between the RSS and MRR Adjustment Spreads for use in the active transition of unhedged loans from SOR to SORA. The Supplementary Guidance only covers the setting of adjustment spreads for the conversion of wholesale SOR contracts to Compounded-in-arrears SORA, and does not apply to the setting of adjustment spreads for the conversion of legacy SOR retail loans to Compounded-in-advance SORA.

On March 15, 2023, the SC-STS published a consultation paper “Consultation Paper on Adjustment Spreads for the Conversion of Legacy SIBOR Loans to SORA” seeking feedback on recommendations for the setting of adjustment spreads for the conversion of legacy SIBOR loans to a SORA reference rate (the “**Adjustment Spreads Consultation Paper**”). The SC-STS has stated that as the transition from SOR to SORA nears completion (which is expected by June 2023), the industry will shift its focus towards the SIBOR transition in 2023 and 2024 where the determination of an appropriate adjustment spread to be applied is a key aspect. The SC-STS has recommended applying the 5-year historical median spread between SIBOR and compounded SORA as the applicable adjustment spread for the conversion of SIBOR corporate loans. For SIBOR retail loans, the SC-STS has recommended a SIBOR retail transition timeline that is similar in structure and duration to the SOR retail transition and will comprise of two phases. The SC-STS has recommended applying the spot-spread approach (floored at zero) during the period of active transition, and the 5-year historical median (floored at zero) at automatic conversion for SIBOR retail loans. On June 30, 2023, the SC-STS published its response paper “Response to Consultation Feedback and Final Recommendations” addressing feedback provided on the Adjustment Spreads Consultation Paper (the “**Adjustment Spreads Response Paper**”) and finalising the approach to convert SIBOR loans to SORA. The SC-STS stated that the proposed 5-year historical median spreads is deemed to have sufficient coverage through different parts of the interest rate cycle and will therefore be adopted. For the transition of SIBOR corporate loans to compounded SORA, the SC-STS recommends applying the 5-year historical median spreads between SIBOR and compounded SORA as the adjustment spread and have set out in Table 1 of the Adjustment Spreads Response Paper the 5-year historical median spreads (over the period from June 30, 2018 to June 30, 2023) to convert existing SIBOR loans to a similar tenor reference. For the transition of SIBOR retail loans to SORA, the SC-STS has said that the 3-month compounded SORA will be the only tenor used in the SIBOR-SORA Conversion Package (“**SIBOR-SCP**”) as it has been assessed to be more stable than the 1-month compounded SORA and less lagged than the 6-month compounded SORA. During the first phase of transition between September 1, 2023 to April 30, 2024, customers may choose

to take up either the SIBOR-SCP or any of their bank's prevailing packages, and the adjustment spread will be determined as the average difference between SIBOR and compounded-in-advance SORA over the preceding three-month period. In the second phase of the transition, an automatic conversion will take place in June 2024 for customers which did not participate in the active transition phase. The 5-year historical median spreads that will apply at automatic conversion has been set out in Table 2 of the Adjustment Spreads Response Paper. The SC-STS has also set out the implementation timeline for both corporate loan transition and retail loan transition in the Adjustment Spreads Response Paper.

On May 19, 2023, the SC-STS confirmed that it intends to discontinue SOR after June 30, 2023 as planned. SOR has ceased to be published in any form after June 30, 2023.

On June 13, 2023, the SC-STS published the "Guidance on Spread Adjustments for the Transition of Legacy Fixed Rate Debt Securities Referencing SOR IRS", which sets out the guidance in formulating an adjustment spread for the transition of fixed rate debt securities referencing SOR interest rate swaps ("IRS") to instead reference SORA overnight index swaps ("OIS"). In the guidance, the SC-STS differentiates between two different type of debt securities: floating rate securities that reference the corresponding tenors of SOR and which typically have a fixed maturity date; and resettable fixed rate securities that reference SOR IRS which have a fixed maturity date or are perpetual in nature, and have a callable and resettable feature. For the transition of floating rate securities, the SC-STS has recommended that the Supplementary Guidance for active transition of unhedged loans be applied directly. For the transition of resettable fixed rate securities, the SC-STS recommends to replace the SOR IRS reference rate with the sum of the SORA OIS of the same tenor and the 6-month MRR Adjustment Spread which has been determined at 0.3112%. The MRR Adjustment Spread for 6-month tenor was chosen as this is the typical fixing frequency used for the floating leg of SOR IRS, and no additional adjustments for differences in day count fractions and payment frequencies will be necessary as all legs of SOR IRS and SORA OIS use the same day count convention (Actual/365) and payment frequencies (semi-annual payments).

Security of Digital Banking

The MAS and the ABS introduced a set of additional measures to bolster the security of digital banking following a spate of SMS-phishing scams targeting bank customers. Banks were expected to put in place more stringent measures related to digital security, including but not limited to the removal of clickable links in emails or SMSes sent to retail customers, notification to existing mobile number or email address registered with the bank whenever there is a request to change a customer's mobile number or email address and the setting up of dedicated and well-resourced customer assistance teams to deal with feedback on potential fraud cases on a priority basis. OCBC Bank has implemented these additional measures.

On February 4, 2022, the MAS announced that they will be developing a framework for equitable share of losses arising from scams. Under the framework, financial institutions and customers will have responsibilities to be vigilant and to take precautions against scams. It is proposed that under the framework, the proportion of losses each party bears will depend on whether and how the party has fallen short of its responsibilities. The MAS has said that it expects financial institutions to treat their customers fairly and bear an appropriate proportion of losses arising from scams. The MAS aims to publish the framework for public consultation in the second quarter of 2022.

On June 2, 2022, the MAS and ABS announced additional measures to further safeguard bank customers from digital banking scams. These additional measures include, amongst others, requiring additional customer confirmations to process significant changes to customer accounts and other high-risk transaction identified through fraud surveillance; providing an emergency self-service "kill switch" for customers to suspend their accounts quickly if they suspect their bank accounts have been compromised and facilitating rapid account freezing and fund recovery operations by co-locating bank

staff at the Singapore Police Force Anti-Scam Centre. The additional measures will be progressively implemented by banks in Singapore and took full effect on October 31, 2022.

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. 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 the holding company is designated as a designated financial holding company (“**DFHC**”) under Section 4 of the Financial Holding Companies Act 2013 of Singapore (the “**FHC Act**”). The FHC Act, which took effect from June 30, 2022, 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 DFHC;
- (c) restrictions on the activities of a DFHC;
- (d) restrictions on the shareholding and control of a DFHC;
- (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.

The FHC Act provides for transition periods for DFHCs to comply with various provisions in the specific provisions and a general power for the Minister 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 has been designated as a DFHC under Section 4 of the FHC Act, specifically a Tier 1 DFHC (Licensed Insurer) under the Financial Holding Companies (Corporate Governance of Designated Financial Holding Companies with Licensed Insurer Subsidiary) Regulations 2022, and is therefore subject to the requirements thereunder relating to DFHCs. 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 licence 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 licence. 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 licence of an insurer on certain grounds.

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-capitalised 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. 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 insurer level.

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, where the total risk requirement, also referred to as the prescribed capital requirements ("**PCR**"), are calibrated at 99.5% Value-at-Risk ("**VaR**") over a one year period; and
- (b) the amount of the total risk requirement of the adjusted fund at the lower solvency intervention level, where the total risk requirement, also referred to as the minimum capital requirements ("**MCR**"), are determined at 90.0% VaR over a one year period. MCR is set as 50% of PCR.

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.

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, where the total risk requirement, also referred to as the PCR, is calibrated at 99.5% VaR over a one year period;
 - (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, where the total risk requirement, also referred to as the MCR, is determined at 90.0% VaR over a one year period. MCR is set as 50% of PCR;
 - (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.

Under Section 35 of the FHC Act, a DFHC is required to have a minimum paid-up ordinary share capital and capital funds of not less than the highest amount of the paid-up capital, which any of its subsidiaries that is a licensed insurer incorporated, formed or established in Singapore is required to hold under the Insurance Act, subject to any other amount as may be required by the MAS. In addition, a DFHC must obtain the prior written approval of the MAS to reduce its paid-up capital, or purchase or otherwise acquire shares issued by the DFHC if such shares are to be held as treasury shares.

On October 27, 2022, the MAS published a Consultation Paper on Group Capital Framework for Designated Financial Holding Companies (Licensed Insurer) stating its intention to issue a new Notice that applies to all DFHCs that have a subsidiary that is a licensed insurer incorporated, formed or

established in Singapore (the “**Group Capital Notice**”). The Group Capital Notice will set out the valuation and capital requirements for all DFHC (Licensed Insurer) in a transparent manner and will be based on the RBC 2 consolidation approach. The Group Capital Notice is intended to be largely similar in structure and content to MAS Notice 133.

Policy Owners’ Protection Scheme

The SDIC administers the Policy Owners’ Protection Scheme (the “**PPF Scheme**”) in accordance with the Deposit Insurance and Policy Owners’ Protection Schemes Act 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, Great Eastern Life and GEG are 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.

Major Stake and Investment Restrictions

Under Section 34 of the Insurance Act and Section 31 of the FHC Act, no licensed insurer that is established or incorporated in Singapore or DFHC 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. A “major stake” means:

- (a) any beneficial interest exceeding 10% of the total number of issued shares (or, in the case of an umbrella VCC, either exceeding 10% of the total number of issued shares in the umbrella VCC that are not in respect of any of its sub-funds, or exceeding 10% of the total number of issued shares in the umbrella VCC in respect of any one of its sub-funds) or such other measure corresponding to shares in a corporation as may be prescribed by the MAS;
- (b) control of over more than 10% of the voting power (or, in the case of an umbrella VCC, either more than 10% of the voting power in the umbrella VCC that is not in respect of any of its sub-funds, or more than 10% of the voting power in the umbrella VCC in respect of any one of its sub-funds) or such other measure corresponding to voting power in a corporation as may be prescribed by the MAS; or

- (c) any interest in a corporation, where the directors of the company or VCC are accustomed or under an obligation, whether formal or informal, to act in accordance with the licensed insurer or DFHC's directions, instructions or wishes, or where the insurer or DFHC is in a position to determine the policy of the corporation.

However, Section 34 of the Insurance Act does not apply to the acquisition or holding of the prescribed interests set out in the Insurance (Prescribed Interests under Section 34(6)) Regulations 2023 which includes: (i) any interest acquired, directly or indirectly, using any policy asset of an insurance fund established and maintained under the Insurance Act by a direct insurer licensed to carry on life business for its participating policies; (ii) any interest held, directly or indirectly, as a policy asset of an insurance fund mentioned in sub-paragraph (i); (iii) any interest that is acquired, directly or indirectly, using any underlying asset of an insurance fund established and maintained under the Insurance Act by a direct insurer licensed to carry on life business for its investment-linked policies; (iv) any interest that is held, directly or indirectly, as an underlying asset of an insurance fund mentioned in sub-paragraph (iii).

Similarly, Section 31 of the FHC Act does not apply to any major stake in any company that is acquired or held indirectly through a DFHC's subsidiary, which is a licensed insurer incorporated, formed and established in Singapore if the licensed insurer has obtained MAS' approval under Section 34 of the Insurance Act to acquire or hold a major stake in the company or the acquisition or holding of a major stake by the licensed insurer in the company has been excluded from the operation of Section 34 of the Insurance Act. With the FHC Act entering into force, in accordance with Section 31(3) of the FHC Act, the approval of the MAS in respect of the acquisition or holding of major stakes held by Great Eastern Holdings is deemed to have been granted with effect from July 1, 2022 and is subject to the approval conditions set out by MAS.

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. Appendix A of MAS Notice 125 sets out the main elements that have to be included in the written investment policy of an insurer. With effect from January 1, 2023, Appendix A of MAS Notice 125 was amended to include an additional element which will require an insurer to consider whether the formulation of a counterparty risk appetite statement will be necessary and the factors to take into account for such consideration. MAS Notice FHC-N125 on Investment Activities similarly sets out the requirements and principles that govern the DFHC of a licensed insurer's ("**DFHC (Licensed Insurer)**") oversight over the investment activities within the DFHC (Licensed Insurer) group, including the investments of any entity that is not regulated by the MAS within the FHC group. These requirements are similar to the requirements under MAS Notice 125.

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, wilful 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.

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 internal governance policy must contain the items in Appendix A of MAS Notice 320 and must be approved by the board of directors of the insurer. 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.

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 cancellation 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 MAS 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 subsidised 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. With effect from February 22, 2021, MAS Notice 306 was amended and an insurer is no longer required to submit information on its provision of financial advisory services annually to the MAS.

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 ("**MAS Notice 211**") 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. MAS Notice 120 on Disclosure and Advisory Process Requirements for Accident and Health Insurance Products ("**MAS Notice 120**") 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 ("**MAS Notice 320**") 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 took 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 Life Insurance Association of Singapore (“**LIA**”) and the General Insurance Association of Singapore (“**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.

Under Section 60(1) of the FHC Act, the MAS may give directions or impose requirements on or relating to the operations or activities of, or the standards to be maintained by, the DFHC.

Corporate Governance

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 Financial Holding Companies (Corporate Governance of Designated Financial Holding Companies with Licensed Insurer Subsidiary) Regulations 2022 (the “**DFHC (Licensed Insurer) Corporate Governance Regulations**”), which apply to a DFHC (Licensed Insurer) such as Great Eastern Holdings, set out similar corporate governance requirements. A DFHC (Licensed Insurer) which:

- (a) holds, directly or indirectly, any share in one or more insurance companies carrying on life business, and the consolidated total assets of the FHC group of the DFHC (Licensed Insurer) is S\$20 billion or more in value or its equivalent in any foreign currency;

- (b) all insurance companies in the FHC Group of the DFHC (Licensed Insurer) carry on only general business, and the consolidated total gross premium of the FHC group of the DFHC (Licensed Insurer) is S\$2 billion or more in value or its equivalent in any foreign currency; or
- (c) the DFHC (Licensed Insurer) has at least one subsidiary that is a Tier 1 insurer;

will be considered a Tier 1 DFHC (Licensed Insurer). Great Eastern Holdings is a Tier 1 DFHC (Licensed Insurer). A Tier 1 DFHC (Licensed Insurer) is, subject to certain exceptions, required to have a board of directors comprising at least a majority of directors who are “independent directors” and to establish various committees whose composition is in line with the requirements under the DFHC (Licensed Insurer) Corporate Governance Regulations. In addition, a DFHC (Licensed Insurer) is subject to MAS Notice FHC-N106 Appointment of Director, Chairperson, Member of Nominating Committee, and Key Executive Person which sets out the requirements and guidelines for all DFHC (Licensed Insurer) to seek MAS approval for the appointment of any director, chairperson or key executive person, notify MAS of any additional directorship or key executive person role taken up by a key executive person, and ensure that the proposed appointees for the appointment of directors and key executive persons are fit and proper to fulfil their roles and responsibilities.

Direct insurers that are incorporated in Singapore, as well as all DFHCs, 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.

Asset and Liability Exposures

MAS Notice 122 on Asset & Liability Exposures for Insurers (“**MAS Notice 122**”) 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. On May 27, 2022, the MAS published the Response to Feedback Received on Proposed Changes to Notice 122 on Assets and Liabilities Exposures for Insurers and its Implementation stating that it will simplify a number of the proposals in view of the feedback received and will adjust the implementation timeline, with the target go-live date for the revised MAS Notice 122 being the end of Q3 2023.

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. With effect from January 1, 2023, MAS Notice 126 was amended 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**”), to perform macroeconomic stress testing and liquidity stress testing as part of their ORSA stress testing process and to establish a liquidity contingency funding plan setting out the strategy for addressing liquidity shortfalls. MAS Notice FHC-N126 similarly sets out the ERM requirements and guidelines which apply to a DFHC (Licensed Insurer) which includes establishing an ERM framework for the FHC group and performing the ORSA at the group level. The ORSA conducted at the group level must be performed at least annually.

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 unauthorised 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. Similarly, MAS Notice FHC-1119 sets out cyber security requirements which apply to a DFHC (Licensed Insurer).

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 (FSG-G01), 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 offence 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 ("**MAS Notice 106**") 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.

Under Section 63 of the FHC Act and MAS Notice FHC-N106, a DFHC (Licensed Insurer) is required to seek MAS approval for the appointment of any director, chairperson, member of nominating committee (in the case of a Tier 1 DFHC (Licensed Insurer) or key executive person (defined to mean the chief executive, deputy chief executive, chief financial officer of a Tier 1 DFHC (Licensed Insurer) or chief risk officer of a Tier 1 DFHC (Licensed Insurer))) using a prescribed form at least one month before the proposed date of appointment. In addition, the DFHC (Licensed Insurer) is required to notify MAS of any additional directorship or key executive person role taken up by a key executive person and ensure that the proposed appointees for the appointment of directors and key executive persons are fit and proper to fulfil their roles and responsibilities.

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.

Under MAS Notice FHC-N129, a DFHC (Licensed Insurer) is similarly 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 FHC-N129, in the form and manner specified in such appendix.

MAS Notice 318 requires 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 39(1) of the FHC Act and Section 94(4) of the Insurance Act, a DFHC and licensed insurer (other than a captive insurer and a marine mutual insurer) are 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 DFHC and 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.

From January 1, 2023, the public disclosure requirements in MAS Notice 124 have been enhanced 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. Insurers are now required 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. Insurers were given up to June 2022 to implement its expectations set out in the ERM Guidelines and demonstrate evidence of its implementation progress.

Resolution Powers

Under the MAS Act, FHC Act and the Insurance Act of Singapore, the MAS has resolution powers in respect of Singapore licensed insurers and DFHC. Broadly speaking, the MAS has powers to (amongst other things) assume control of a DFHC and 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.

Inspection and Investigative Powers

The MAS' inspection and investigative powers are set out under Section 98 to Section 101 of the Insurance Act which allow the MAS to: (a) inspect, under conditions of secrecy, the books of a licensed insurer or any branch or subsidiary outside Singapore of a licensed insurer established or incorporated in Singapore or an insurance subsidiary; and (b) conduct any investigation that is considers necessary or expedient to perform their duties under the Insurance Act or to determine the truth of an alleged or suspected contravention of the Insurance Act or any direction issued under it.

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 Insurance Act. The proposals aim to enhance the MAS' evidence-gathering powers and to facilitate greater inter-agency coordination. Amongst the proposed amendments to the Insurance Act include granting the

MAS the power to require any person to provide information for the purposes of investigation, requiring any person to appear for examination and allowing the MAS to enter premises without warrant.

Priority of liabilities in winding up

Section 123(1) of the Insurance Act provides that, where a licensed insurer becomes unable to meet its obligations or becomes insolvent, the assets of the licensed insurer, subject to section 16(12) of the Insurance Act, must be available to meet all liabilities in Singapore of the licensed insurer specified in section 123(3), including liabilities which are properly attributable to the business to which an insurance fund relates (the “**Specified Liabilities**”). The Specified Liabilities will have priority over all unsecured liabilities of the insurer, other than the preferential debts specified in section 203(1) of the IRDA.

Under section 123(3) of the Insurance Act, the Specified Liabilities are (and in the event of a winding up of an insurer will rank in the following order of priority notwithstanding the provisions of any written law or any rule of law relating to the winding up of companies):

- (a) firstly, any levy due and payable by the licensed insurer under the Deposit Insurance and Policy Owners’ Protection Schemes Act;
- (b) secondly, protected liabilities incurred by the licensed insurer, up to the amount paid or payable out of any of the PPF Funds (i.e. the PPF Life Fund or the PPF General Fund) by SDIC under the Deposit Insurance and Policy Owners’ Protection Schemes Act in respect of such protected liabilities and, if applicable, the amount paid or payable out of any of the PPF Funds by SDIC under the Deposit Insurance and Policy Owners’ Protection Schemes Act to fund any transfer or run-off of the business of the licensed insurer or the termination of insured policies issued by the licensed insurer;
- (c) thirdly, any liabilities incurred by the licensed insurer in respect of direct policies which are not protected under the Deposit Insurance and Policy Owners’ Protection Schemes Act;
- (d) fourthly, any liabilities incurred by the licensed insurer in respect of reinsurance policies;
- (e) fifthly, any sum claimed by the trustee of a resolution fund (within the meaning of section 98 of the MAS Act) from the licensed insurer under section 103, 104, 105 or 106 of the MAS Act.

As between Specified Liabilities of the same class referred to in sub-paragraphs (a) to (e) above, such Specified Liabilities rank equally between themselves and are to be paid in full unless the assets of the licensed insurer are insufficient to meet them in which case they are to abate in equal proportions between themselves.

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 the following three key areas:

- (a) to promote the individual accountability of senior managers;
- (b) to strengthen oversight over material risk personnel; and
- (c) to reinforce conduct standards among all employees.

Systemically Important Insurers in Singapore

The MAS has on October 25, 2022 published a Consultation Paper on Proposed Framework for Systemically Important Insurers in Singapore proposing a framework to identify domestic systemically

important insurers (“**D-SIIs**”) in Singapore and address the risks they pose. As the focus of the proposed D-SII framework is to identify insurers whose individual distress or disordered failure would cause significant disruption to Singapore’s financial system and economic activity, MAS has proposed to assess all licensed insurers under the D-SII framework. The MAS has proposed to adopt an indicator-based approach to assess insurers’ systemic importance based on four factors: (a) size; (b) interconnectedness; (c) substitutability; and (d) complexity. The MAS has also proposed to assess insurers’ systemic importance on an annual basis. A D-SII will be subject to more intensive supervision and enhanced policy measures such as higher capital requirements, recovery and resolution planning, robust management information system and enhanced corporate governance requirements. MAS has proposed to implement the D-SII framework on January 1, 2024 and will publish the initial list of D-SIIs by the first quarter of 2024.

Proposed amendments to the Insurance Act

The MAS has on November 4, 2022 published a Consultation Paper on Amendments to the Insurance Act and the Insurance (Intermediaries) Regulations proposing amendments to the Insurance Act to take into account regulatory and market developments, as well as to align where appropriate, the regulatory framework for insurance with other financial activities regulated by the MAS. The MAS has proposed to introduce a policy to regulate the conduct of and investment in insurance and non-insurance businesses by insurers in Singapore (the “**anti-commingling policy**”). The anti-commingling policy is intended to ensure insurers remain focused on their core insurance business and competencies and to avoid potential contagion from the conduct of non-insurance businesses. The general thrust of the anti-commingling policy will be to prohibit insurers from: (a) directly undertaking businesses other than insurance business and permissible businesses; (b) using or sharing their names, logos or trademarks on or with physical infrastructure or any other entities; and (c) acquiring or holding a major stake in any corporation with the prior approval of the MAS. The MAS has also proposed to introduce powers in the Insurance Act to strengthen its oversight of outsourcing arrangements of insurers and to require insurers to reconstitute their insurance funds for participating and investment-linked policies.”

TAXATION

The sub-section “**Singapore Taxation**” beginning on page 391 of the Offering Memorandum shall be amended as follows:

- A. The sub-section “**Interest and Other Payments**” on page 392 of the Offering Memorandum shall be amended by replacing the third paragraph of the sub-section with the following:

“The applicable rate for non-resident individuals is 22% prior to the year of assessment 2024, and 24% thereafter.”

- B. The sub-section “**Withholding Tax Exemption on Qualifying Payments by Specified Entities**” on page 392 of the Offering Memorandum shall be amended by replacing the second paragraph of the sub-section with the following:

“A specified entity includes a bank or merchant bank licensed under the Banking Act 1970 of Singapore.”

- C. The sub-section “**Qualifying Debt Securities Scheme**” beginning on page 393 of the Offering Memorandum shall be amended by:

1. replacing the first paragraph of the sub-section with the following:

“It was announced in the Singapore Budget Statement 2023 and the MAS Circular FDD Cir 08/2023 entitled “Qualifying Debt Securities (“**QDS**”) and Primary Dealer Schemes – Extension and Refinements” issued by the MAS on 31 May 2023 (“**MAS Circular**”)”

that the QDS scheme is extended until 31 December 2028 and the requirement that QDS have to be substantially arranged in Singapore is rationalised, such that the requirement that QDS have to be substantially arranged by a Financial Sector Incentive (Bond Market) (“**FSI-BM**”) Company, a Financial Sector Incentive (Standard Tier) (“**FSI-ST**”) Company or a Financial Sector Incentive (Capital Market) (“**FSI-CM**”) Company (as defined in the ITA) is broadened to include the following entities holding the relevant licences (“**Specified Licensed Entities**”) for all debt securities that are issued on or after February 15, 2023:

- (a) any bank or merchant bank licensed under the Banking Act;
- (b) any finance company licensed under the Finance Companies Act 1967 of Singapore; or
- (c) an entity that holds a Capital Markets Services Licence under the SFA to carry out the regulated activities – Advising on Corporate Finance or Dealing in Capital Markets Products – Securities.

As the Programme as a whole was arranged by an Approved Bond Intermediary (as defined in the ITA) prior to January 1, 2004, by FSI-BM Company(ies) prior to January 1, 2014, by FSI-BM, FSI-ST or FSI-CM Companies from January 1, 2014 and who from February 15, 2023 are also Specified Licensed Entities, 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, 2028 would be QDS for the purposes of the ITA pursuant to the MAS Circular, to which the following treatment shall apply:”

2. replacing the third paragraph of the sub-section with the following:

“The term “**related party**”, in relation to a person (A), means any person (a) who directly or indirectly controls A; (b) who is being controlled directly or indirectly by A; or (c) who, together with A, is directly or indirectly under the control of a common person.”

3. inserting the following as the new sixth paragraph of the sub-section:

“Pursuant to the MAS Circular, the scope of qualifying income under the QDS scheme has been streamlined and clarified with effect from February 15, 2023 such that all payments made by the issuer of the QDS on the redemption of the QDS upon its maturity or on the early redemption of the QDS are qualifying income.”

SCHEDULE 2
UNAUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE HALF YEAR ENDED 30 JUNE 2023

To Our Shareholders

The Board of Directors of Oversea-Chinese Banking Corporation Limited (“OCBC”) reports the following:

Unaudited Financial Results for the Half Year Ended 30 June 2023

Details of the financial results are in the accompanying Unaudited Condensed Interim Financial Statements.

Ordinary Dividend

An interim tax-exempt dividend of 40 cents (1H22: 28 cents) per share has been declared for the first half year 2023 (“1H23”). The interim dividend payout will amount to an estimated S\$1,798 million (2022: S\$1,258 million) or approximately 50% of the Group’s net profit after tax of S\$3.59 billion for 1H23.

Closure of Books

The record date is 15 August 2023. Please refer to the separate announcement titled “Notice of Books Closure and Payment of Interim One-Tier Tax Exempt Dividend on Ordinary Shares for the Financial Year Ending 31 December 2023” released by the Bank today.

Scrip Dividend Scheme

The Oversea-Chinese Banking Corporation Limited Scrip Dividend Scheme, which was approved by the Shareholders of the Bank at the Extraordinary General Meeting on 8 June 1996, will not be applicable to the interim dividend.

Peter Yeoh
Secretary

Singapore, 4 August 2023

More details on the results are available on the Bank’s website at www.ocbc.com

**Oversea-Chinese Banking Corporation Limited
and its Subsidiaries**

**Unaudited Condensed Interim Financial Statements
For the Half Year ended 30 June 2023**



Incorporated in Singapore
Company Registration Number: 193200032W

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OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED CONSOLIDATED INCOME STATEMENT

For the half year ended 30 June 2023

S\$ million	Note	GROUP	
		1H 2023	1H 2022 (Restated)
Interest income		9,846	4,164
Interest expense		(5,119)	(961)
Net interest income	3	4,727	3,203
Insurance service results from life insurance	4	358	622
Net investment and finance income/(expense) from life insurance ⁽¹⁾		128	(181)
Insurance service results from general insurance		14	13
Fees and commissions (net)	5	883	999
Dividends		69	57
Net trading income		513	492
Other income	6	113	18
Non-interest income		2,078	2,020
Total income		6,805	5,223
Staff costs		(1,753)	(1,613)
Other operating expenses	7	(820)	(845)
Total operating expenses		(2,573)	(2,458)
Operating profit before allowances and amortisation		4,232	2,765
Amortisation of intangible assets		(51)	(52)
Allowances for loans and other assets	8	(362)	(116)
Operating profit after allowances and amortisation		3,819	2,597
Share of results of associates, net of tax		510	499
Profit before income tax		4,329	3,096
Income tax expense		(662)	(454)
Profit for the period		3,667	2,642
Profit attributable to:			
Equity holders of the Bank		3,589	2,592
Non-controlling interests		78	50
		3,667	2,642
Earnings per share (S\$)			
Basic		0.79	0.57
Diluted		0.79	0.57

⁽¹⁾ Comprising net investment income/(loss) of S\$2,625 million (1H 2022: (S\$5,492) million) and insurance finance (expense)/income of (S\$2,497) million (1H 2022: S\$5,311 million).

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half year ended 30 June 2023

S\$ million	GROUP	
	1H 2023	1H 2022 (Restated)
Profit for the period	3,667	2,642
Other comprehensive income:		
Items that may be reclassified subsequently to income statement:		
Financial assets, at FVOCI ⁽¹⁾		
Fair value gains/(losses) for the period	231	(2,125)
Reclassification of (gains)/losses to income statement		
– on disposal	(22)	126
– on impairment	8	5
Tax on net movements	(51)	147
Cash flow hedges	(22)	(4)
Currency translation on foreign operations	(110)	(41)
Other comprehensive income of associates	(101)	(115)
Net insurance finance (expense)/income	(226)	552
Items that will not be reclassified subsequently to income statement:		
Currency translation on foreign operations attributable to non-controlling interests	36	(10)
Equity instruments, at FVOCI ⁽¹⁾ , net change in fair value	36	(203)
Defined benefit plans remeasurements	2	1
Own credit	(#)	1
Total other comprehensive income, net of tax	(219)	(1,666)
Total comprehensive income for the period, net of tax	3,448	976
Total comprehensive income attributable to:		
Equity holders of the Bank	3,331	1,003
Non-controlling interests	117	(27)
	3,448	976

⁽¹⁾ Fair value through other comprehensive income.

⁽²⁾ # represents amounts less than S\$0.5 million.

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED BALANCE SHEETS

As at 30 June 2023

S\$ million	Note	GROUP		BANK	
		30 June 2023	31 December 2022	30 June 2023	31 December 2022
		(Restated)			
EQUITY					
Attributable to equity holders of the Bank					
Share capital	10	18,037	18,048	18,037	18,048
Other equity instruments		1,696	1,696	1,696	1,696
Capital reserves		833	792	564	560
Fair value reserves		(920)	(1,190)	(686)	(674)
Revenue reserves		32,958	31,733	17,914	17,286
		52,604	51,079	37,525	36,916
Non-controlling interests		1,316	1,305	–	–
Total equity		53,920	52,384	37,525	36,916
LIABILITIES					
Deposits of non-bank customers	11	372,462	350,081	245,890	223,310
Deposits and balances of banks	11	13,795	10,046	10,883	7,691
Due to subsidiaries		–	–	37,405	36,522
Due to associates		231	236	187	197
Trading portfolio liabilities		292	212	292	212
Derivative payables		18,851	16,048	16,098	14,300
Other liabilities		9,536	8,382	3,533	2,844
Current tax payables		994	1,026	635	566
Deferred tax liabilities		287	239	80	125
Debt issued	12	15,491	21,938	14,802	21,294
		431,939	408,208	329,805	307,061
Life insurance contract liabilities and other liabilities		98,581	96,591	–	–
Total liabilities		530,520	504,799	329,805	307,061
Total equity and liabilities		584,440	557,183	367,330	343,977
ASSETS					
Cash and placements with central banks		35,546	34,966	30,044	27,812
Singapore government treasury bills and securities		18,916	17,096	17,785	15,889
Other government treasury bills and securities		25,566	22,271	11,026	8,165
Placements with and loans to banks		39,321	30,244	27,976	18,680
Loans to customers	13	293,532	291,467	206,207	201,110
Debt and equity securities		32,810	28,010	20,241	16,621
Assets held for sale		7	1	1	–
Derivative receivables		18,743	15,605	15,953	13,742
Other assets		6,950	6,532	2,980	2,538
Deferred tax assets		720	722	132	104
Associates		6,623	6,340	2,228	2,228
Subsidiaries		–	–	29,592	33,923
Property, plant and equipment		3,493	3,483	822	818
Investment property		749	763	476	480
Goodwill and other intangible assets		4,614	4,643	1,867	1,867
		487,590	462,143	367,330	343,977
Life insurance fund investment securities and other assets ⁽¹⁾		96,850	95,040	–	–
Total assets		584,440	557,183	367,330	343,977
Net asset value per ordinary share – S\$		11.33	10.99	7.97	7.83
OFF-BALANCE SHEET ITEMS					
Contingent liabilities		15,895	16,749	11,964	12,247
Commitments		191,476	184,013	117,719	109,405
Derivative financial instruments		1,424,892	1,106,931	1,150,648	879,077

⁽¹⁾ Including securities of S\$85,604 million (31 December 2022: S\$83,445 million) and reinsurance assets of S\$860 million (31 December 2022: S\$852 million).

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED STATEMENT OF CHANGES IN EQUITY - GROUP

For the half year ended 30 June 2023

S\$ million	Attributable to equity holders of the Bank					Non-controlling interests	Total equity
	Share capital and other equity	Capital reserves ⁽¹⁾	Fair value reserves	Revenue reserves	Total		
Balance at 1 January 2023	19,744	792	(1,006)	33,557	53,087	1,581	54,668
Effect of adopting SFRS(I)17	-	-	(184)	(1,824)	(2,008)	(276)	(2,284)
Adjusted balance at 1 January 2023	19,744	792	(1,190)	31,733	51,079	1,305	52,384
Total comprehensive income for the financial period							
Profit for the financial period	-	-	-	3,589	3,589	78	3,667
Other comprehensive income							
Items that may be reclassified subsequently to income statement:							
Financial assets, at FVOCI							
Fair value gains for the financial period	-	-	222	-	222	9	231
Reclassification of (gains)/losses to income statement							
- on disposal	-	-	(22)	-	(22)	(#)	(22)
- on impairment	-	-	8	-	8	(#)	8
Tax on net movements	-	-	(49)	-	(49)	(2)	(51)
Cash flow hedges	-	-	-	(22)	(22)	-	(22)
Currency translation on foreign operations	-	-	-	(110)	(110)	-	(110)
Other comprehensive income of associates	-	-	109	(210)	(101)	-	(101)
Net insurance finance expense	-	-	-	(199)	(199)	(27)	(226)
Items that will not be reclassified subsequently to income statement:							
Currency translation on foreign operations attributable to non-controlling interests	-	-	-	-	-	36	36
Equity instruments, at FVOCI, net change in fair value	-	-	2	11	13	23	36
Defined benefit plans remeasurements	-	-	-	2	2	#	2
Own credit	-	-	-	(#)	(#)	-	(#)
Total other comprehensive income, net of tax	-	-	270	(528)	(258)	39	(219)
Total comprehensive income for the financial period	-	-	270	3,061	3,331	117	3,448
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Transfers	-	(#)	-	#	-	-	-
Buy-back of shares held as treasury shares	(115)	-	-	-	(115)	-	(115)
Dividends and distributions	-	-	-	(1,833)	(1,833)	(69)	(1,902)
Share-based payments for staff costs	-	4	-	-	4	-	4
Shares issued to non-executive directors	#	-	-	-	#	-	#
Shares transferred to DSP Trust	-	(8)	-	-	(8)	-	(8)
Shares vested under DSP Scheme	-	113	-	-	113	-	113
Treasury shares transferred/sold	104	(68)	-	-	36	-	36
Total contributions by and distributions to owners	(11)	41	-	(1,833)	(1,803)	(69)	(1,872)
Change in interest in subsidiary that does not result in loss of control	-	-	-	(3)	(3)	(37)	(40)
Total change in interest in subsidiary	-	-	-	(3)	(3)	(37)	(40)
Balance at 30 June 2023	19,733	833	(920)	32,958	52,604	1,316	53,920
Included in the balances:							
Share of reserves of associates	-	-	196	3,551	3,747	-	3,747

⁽¹⁾ Including regulatory loss allowance reserve of S\$455 million at 1 January 2023 and 30 June 2023.

⁽²⁾ # represents amounts less than S\$0.5 million.

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED STATEMENT OF CHANGES IN EQUITY - GROUP

For the half year ended 30 June 2023

S\$ million	Attributable to equity holders of the Bank				Total	Non-controlling interests	Total equity
	Share capital and other equity	Capital reserves ⁽¹⁾	Fair value reserves	Revenue reserves			
Balance at 1 January 2022	19,238	782	848	31,795	52,663	1,675	54,338
Effect of adopting SFRS(I) 17	–	–	3	(1,722)	(1,719)	(236)	(1,955)
Adjusted balance at 1 January 2022	19,238	782	851	30,073	50,944	1,439	52,383
Total comprehensive income for the financial period							
Profit for the financial period	–	–	–	2,592	2,592	50	2,642
Other comprehensive income							
Items that may be reclassified subsequently to income statement:							
Financial assets, at FVOCI							
Fair value losses for the financial period	–	–	(1,996)	–	(1,996)	(129)	(2,125)
Reclassification of (gains)/losses to income statement							
- on disposal	–	–	118	–	118	8	126
- on impairment	–	–	5	–	5	#	5
Tax on net movements	–	–	138	–	138	9	147
Cash flow hedges	–	–	–	(4)	(4)	–	(4)
Currency translation on foreign operations	–	–	–	(41)	(41)	–	(41)
Other comprehensive income of associates	–	–	11	(126)	(115)	–	(115)
Net insurance finance income	–	–	–	486	486	66	552
Items that will not be reclassified subsequently to income statement:							
Currency translation on foreign operations attributable to non-controlling interests	–	–	–	–	–	(10)	(10)
Equity instruments, at FVOCI, net change in fair value	–	–	(213)	31	(182)	(21)	(203)
Defined benefit plans remeasurements	–	–	–	1	1	–	1
Own credit	–	–	–	1	1	–	1
Total other comprehensive income, net of tax	–	–	(1,937)	348	(1,589)	(77)	(1,666)
Total comprehensive income for the financial period	–	–	(1,937)	2,940	1,003	(27)	976
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Transfers	–	(#)	–	#	–	–	–
Perpetual capital securities issued	499	–	–	–	499	–	499
Buy-back of shares held as treasury shares	(153)	–	–	–	(153)	–	(153)
Dividends and distributions	–	–	–	(1,283)	(1,283)	(39)	(1,322)
DSP reserve from dividends of unvested shares	–	–	–	6	6	–	6
Share-based payments for staff costs	–	5	–	–	5	–	5
Shares issued to non-executive directors	1	–	–	–	1	–	1
Shares transferred to DSP Trust	–	(6)	–	–	(6)	–	(6)
Shares vested under DSP Scheme	–	104	–	–	104	–	104
Treasury shares transferred/sold	168	(101)	–	–	67	–	67
Total contributions by and distributions to owners	515	2	–	(1,277)	(760)	(39)	(799)
Balance at 30 June 2022	19,753	784	(1,086)	31,736	51,187	1,373	52,560
Included in the balances:							
Share of reserves of associates	–	–	184	3,486	3,670	–	3,670

⁽¹⁾ Including regulatory loss allowance reserve of S\$444 million at 1 January 2022 and 30 June 2022.

⁽²⁾ # represents amounts less than S\$0.5 million.

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED STATEMENT OF CHANGES IN EQUITY - BANK

For the half year ended 30 June 2023

S\$ million	Share capital and other equity	Capital reserves ⁽¹⁾	Fair value reserves	Revenue reserves	Total equity
Balance at 1 January 2023	19,744	560	(674)	17,286	36,916
Profit for the financial period	–	–	–	2,512	2,512
Other comprehensive income	–	–	(12)	(51)	(63)
Total comprehensive income for the period	–	–	(12)	2,461	2,449
Buy-back of shares held as treasury shares	(115)	–	–	–	(115)
Dividends and distributions	–	–	–	(1,833)	(1,833)
Share-based payments for staff costs	–	4	–	–	4
Shares issued to non-executive directors	#	–	–	–	#
Treasury shares transferred/sold	104	–	–	–	104
Balance at 30 June 2023	19,733	564	(686)	17,914	37,525
Balance at 1 January 2022	19,238	559	(25)	15,825	35,597
Profit for the financial period	–	–	–	2,033	2,033
Other comprehensive income	–	–	(738)	(28)	(766)
Total comprehensive income for the period	–	–	(738)	2,005	1,267
Perpetual capital securities issued	499	–	–	–	499
Buy-back of shares held as treasury shares	(153)	–	–	–	(153)
Dividends and distributions	–	–	–	(1,283)	(1,283)
DSP reserve from dividends of unvested shares	–	–	–	6	6
Share-based payments for staff costs	–	5	–	–	5
Shares issued to non-executive directors	1	–	–	–	1
Treasury shares transferred/sold	168	–	–	–	168
Balance at 30 June 2022	19,753	564	(763)	16,553	36,107

⁽¹⁾ Including regulatory loss allowance reserve of S\$444 million at 1 January 2023, 1 January 2022, 30 June 2023 and 30 June 2022.

⁽²⁾ # represents amounts less than S\$0.5 million.

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT

For the half year ended 30 June 2023

S\$ million	1H 2023	1H 2022 (Restated)
Cash flows from operating activities		
Profit before income tax	4,329	3,096
Adjustments for non-cash items:		
Allowances for loans and other assets	362	116
Amortisation of intangible assets	51	52
Change in hedging transactions, FVTPL ⁽¹⁾ securities and debt issued	(109)	152
Depreciation of property and equipment and interest expense on lease liabilities	215	208
Net (gain)/loss on disposal of government, debt and equity securities	(38)	78
Net gain on disposal of property and equipment	(19)	(49)
Share-based costs	36	43
Share of results of associates, net of tax	(510)	(499)
Operating profit before change in operating assets and liabilities	4,317	3,197
Change in operating assets and liabilities:		
Deposits of non-bank customers	22,376	6,307
Deposits and balances of banks	3,749	4,173
Derivative payables and other liabilities	4,395	6,205
Trading portfolio liabilities	79	122
Restricted balances with central banks	(529)	98
Government securities and treasury bills	(5,100)	631
FVTPL securities	(1,012)	474
Placements with and loans to banks	(9,077)	(669)
Loans to customers	(2,420)	(8,405)
Derivative receivables and other assets	(4,468)	(4,927)
Net change in other assets and liabilities of life insurance fund	1,544	286
Cash provided by operating activities	13,854	7,492
Income tax paid	(670)	(530)
Net cash provided by operating activities	13,184	6,962
Cash flows from investing activities		
Dividends from associates	2	4
Purchases of debt and equity securities	(11,115)	(5,537)
Purchases of life insurance fund investment securities	(22,377)	(16,630)
Purchases of property and equipment	(197)	(189)
Proceeds from disposal of debt and equity securities	7,346	7,376
Proceeds from disposal of life insurance fund investment securities	21,437	16,522
Proceeds from disposal of property and equipment	21	67
Net cash (used in)/provided by investing activities	(4,883)	1,613
Cash flows from financing activities		
Acquisition of non-controlling interests	(40)	–
Buy-back of shares for holding as treasury shares	(115)	(153)
Dividends and distributions paid	(1,902)	(1,322)
Net redemption of other debt issued	(6,522)	(2,930)
Repayment of lease liabilities	(39)	(43)
Proceeds from treasury shares transferred/sold under the Bank's employee share schemes	36	67
Proceeds from subordinated note issued	–	1,042
Net proceeds from issue of perpetual capital securities	–	499
Net cash used in financing activities	(8,582)	(2,840)
Net change in cash and cash equivalents	(281)	5,735
Net currency translation adjustments	332	(235)
Cash and cash equivalents at 1 January	29,984	22,710
Cash and cash equivalents at 30 June	30,035	28,210

⁽¹⁾ Fair value through profit or loss.

The accompanying notes form an integral part of these unaudited condensed interim financial statements.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

These notes form an integral part of the unaudited condensed interim financial statements.

The unaudited condensed interim financial statements were authorised by the Board of Directors on 3 August 2023.

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 unaudited condensed interim 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. Basis of preparation

2.1 Statement of compliance

The unaudited condensed interim financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)) 1-34 Interim Financial Reporting, and do not include all of the information required for full annual financial statements. These unaudited condensed interim financial statements are to be read in conjunction with the financial statements as at and for the year ended 31 December 2022.

2.2 Basis of presentation

The unaudited condensed interim financial statements are presented in Singapore Dollar, rounded to the nearest million unless otherwise stated. # represents amounts less than S\$0.5 million. The unaudited condensed interim financial statements have been prepared under the historical cost convention, except as disclosed in the financial statements as at and for the year ended 31 December 2022.

2.3 Use of estimates and judgements

The preparation of unaudited condensed interim 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.

In preparing these unaudited condensed interim financial statements, the significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those applied in the financial statements as at and for the year ended 31 December 2022, except for the following additions.

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.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

2. Basis of preparation (continued)

2.3 Use of estimates and judgements (continued)

Impairment of financial assets (continued)

Allowances for non-credit-impaired loans to customers

As of 30 June 2023, the forward-looking scenarios used in the ECL model have been updated from those as of 31 December 2022, which reflects the latest macroeconomic view. Additionally, post-model adjustments were made to address events that are not incorporated in the baseline ECL. These post-model adjustments were reviewed and approved in accordance with the Group's ECL framework, and include:

- Post-model adjustments were made to more accurately reflect the continued weakness of certain industries and segments due to geopolitical events.
- 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 included 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.

As of 30 June 2023, the Group has assessed that the post-model adjustments made as of 31 December 2022 remain applicable but updated for the latest relevant information.

Sensitivity of ECL

ECL is estimated to increase by S\$1,104 million (30 June 2022: S\$1,191 million) should all the exposures in Stage 1 (12-month ECL) move to Stage 2 (lifetime ECL).

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 latest relevant information as of 30 June 2023.

The Group's allowances for credit-impaired loans to customers are disclosed in Note 13.

Impairment of goodwill and other intangible assets

The recoverable amount of goodwill and other intangible assets are determined based on the present value of estimated future cash flows expected to arise from the cash generating units' continuing operations. 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.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

2. Basis of preparation (continued)**2.4 Changes in accounting policies**

The following new/revised financial reporting standards and interpretations were applied with effect from 1 January 2023:

SFRS(I)	Title
SFRS(I) 17	<i>Insurance Contracts</i>
Various	<i>Amendments to SFRS(I) 17</i>
Various	<i>Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies</i>
SFRS(I) 1-8 (Amendments)	<i>Definition of Accounting Estimates</i>
SFRS(I) 1-12 (Amendments), SFRS(I) 1 (Amendments)	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>

The accounting policies applied by the Group in the unaudited condensed interim financial statements are the same as those applied by the Group in its financial statements as at and for the year ended 31 December 2022, except for the new/revised financial reporting standards and interpretations as set out above. The initial application of the above standards (including their consequential amendments) and interpretations did not have any material impact on the Group's condensed interim financial statements, except for the adoption of SFRS(I) 17 Insurance Contracts.

The Group has applied SFRS(I) 17, including any consequential amendments to other standards, from 1 January 2023. These standards have brought significant changes to the accounting for insurance and reinsurance contracts. As a result, the Group has restated comparative information for the financial year 2022 applying the transitional provisions.

A. SFRS(I) 17 Insurance Contracts

SFRS(I) 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts and reinsurance contracts held by Great Eastern Holding Limited and its subsidiaries (collectively GEH Group). It introduces a model that measures groups of contracts based on GEH Group's estimates of the present value of future cash flows that are expected to arise as GEH Group fulfils contracts, an explicit risk adjustment for non-financial risk and a Contractual Service Margin (CSM).

The nature and effects of the material changes in the Group's accounting policies under SFRS(I) 17 Insurance Contracts are summarised in the Group's financial statements as at and for the year ended 31 December 2022.

B. Transition

GEH Group has restated the comparative information based on the transition approaches taken on adoption of SFRS(I) 17.

Changes in accounting policies resulting from the adoption of SFRS(I) 17 were applied using the fully retrospective approach to the extent practicable. The fully retrospective approach was applied to insurance contracts that were originated less than one year prior to the effective date.

Where it was not possible to obtain all required historical data without undue cost and effort, the modified retrospective approach or fair value approach was applied. The modified retrospective approach was applied to certain groups of insurance contracts that were originated less than 10 years prior to the transition date. The fair value approach was applied to the remaining insurance contracts in force at transition date.

On transition date, at 1 January 2022, GEH Group:

- Identified, recognised and measured each group of insurance and reinsurance contracts as if SFRS(I) 17 had always been applied unless impracticable;
- Derecognised previously reported balances that would not have existed if SFRS(I) 17 had always been applied;
- Elected the option introduced by SFRS(I) 17 to redesignate certain financial assets to address possible accounting mismatches between financial assets and insurance contract liabilities, and applied the classifications retrospectively; and
- Recognised any resulting net difference in equity.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

2. Basis of preparation (continued)

2.4 Changes in accounting policies (continued)

The effects from applying SFRS(I) 17 resulted in a reduction of the Group's equity attributable to equity holders of S\$1,719 million, net of tax, as at 1 January 2022. The net transition impact to equity consisted of the following effects.

Measurement adjustments	Description of impact	
	Contracts not measured under Premium Allocation Approach (PAA) ⁽¹⁾	Contracts measured under PAA
CSM	A CSM liability will be recognised for the unearned profit for insurance contracts.	Not applicable
Contract Measurement	<p>Other components of insurance contracts are also remeasured:</p> <ul style="list-style-type: none"> • Risk adjustment: Recognition of a separate risk adjustment for non-financial risk which is lower than the risk margin under SFRS(I) 4 as a result of recalibration of the measurement techniques to conform with the SFRS(I) 17 requirements. • Discount rates: Changes in the discount rates because of the SFRS(I) 17 requirements to measure future cash flows using current discount rates. • Deferred acquisition costs: Under SFRS(I) 17, GEH Group now recognises separately eligible insurance acquisition cash flows when they are incurred. • Other changes: Include the changes to the provisions for future taxes, and other changes related to the application of SFRS(I) 17. 	<p>Other components of insurance contracts are remeasured:</p> <ul style="list-style-type: none"> • Risk adjustment: The risk adjustment is now measured at the 85th percentile under SFRS(I) 17 as compared to the provision for adverse deviation used under SFRS(I) 4 which was measured at the 75th percentile. • Discounting future cash flows: Under SFRS(I) 17, GEH Group discounts the future cash flows when measuring liabilities for incurred claims. GEH Group previously did not discount such future cash flows for non-life contracts. • Deferred acquisition costs: Under SFRS(I) 17, GEH Group now recognises separately eligible insurance acquisition cash flows when they are incurred.
Insurance Finance Reserve	Under SFRS(I) 17, changes in the carrying amounts of groups of contracts arising from the effects of the time value of money, financial risk and changes therein are generally presented as insurance finance or expenses in profit or loss. GEH Group has elected the option to include these changes for certain portfolios measured under General Measurement Model (GMM) under insurance finance reserve in equity.	Not applicable

⁽¹⁾ The PAA is an optional simplified measurement model in SFRS(I) 17 that is available for insurance and reinsurance contracts that meet the eligibility criteria. This approach is used for non-life insurance contracts, because each of these contracts have a coverage period of one year or less, or meets the eligibility criteria.

Besides the impact to equity upon transition, there are also other changes in the balance sheet mainly resulting from insurance related receivables and payables now included within fulfilment cash flows instead of being presented separately.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

2. Basis of preparation (continued)

2.4 Changes in accounting policies (continued)

Redesignation of Financial Assets and Classification Overlay

SFRS(I) 17 allows for entities that had applied SFRS(I) 9 to annual periods before the initial application of SFRS(I) 17, to redesignate its financial assets to address possible accounting mismatches between financial assets and insurance contract liabilities. A transition option was elected to apply a classification overlay for the financial assets as if the classification and measurement requirements of SFRS(I) 9 had been applied to that financial asset during the comparative period. At the transition date, S\$2,046 million of debt instruments which were previously designated at FVTPL was reclassified to FVOCI.

There are a number of new/revised financial reporting standards in issue but not yet effective. They are not expected to have a significant impact on the Group's financial statements when adopted.

3. Net interest income

S\$ million	GROUP	
	1H 2023	1H 2022
Interest income		
Loans to customers	7,117	3,262
Placements with and loans to banks	1,603	315
Other interest-earning assets	1,126	587
	9,846	4,164
Interest expense		
Deposits of non-bank customers	(4,515)	(790)
Deposits and balances of banks	(196)	(54)
Other borrowings	(408)	(117)
	(5,119)	(961)
Net interest income	4,727	3,203

4. Insurance service results from life insurance

S\$ million	GROUP	
	1H 2023	1H 2022
Insurance revenue	2,724	2,609
Insurance service expense	(2,354)	(2,045)
Net (expense)/income from reinsurance contracts held	(12)	58
Insurance service results from life insurance	358	622

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

5. Fees and commissions (net)

S\$ million	GROUP	
	1H 2023	1H 2022
Gross fee and commission income		
Brokerage	39	59
Credit card	174	158
Fund management	55	62
Guarantees	7	8
Investment banking	53	51
Loan-related	98	86
Service charges	46	40
Trade-related and remittances	135	148
Wealth management ⁽¹⁾	438	537
Others	26	25
	1,071	1,174
Fee and commission expense	(188)	(175)
Fees and commissions (net)	883	999

⁽¹⁾ Includes trust and custodian fees.

6. Other income

S\$ million	GROUP	
	1H 2023	1H 2022
Disposal of investment securities	38	(78)
Disposal of properties	19	49
Rental and property-related income	43	36
Others	13	11
Other income	113	18

7. Other operating expenses

S\$ million	GROUP	
	1H 2023	1H 2022
		(Restated)
Property and equipment		
Depreciation	212	206
Maintenance and rental	78	74
Others	162	160
	452	440
Other operating expenses	368	405
Total other operating expenses	820	845

8. Allowances for loans and other assets

S\$ million	GROUP	
	1H 2023	1H 2022
Allowances/(write-back):		
Impaired loans	93	32
Impaired other assets	15	5
Non-impaired loans	256	77
Non-impaired other assets	(2)	2
Allowances for loans and other assets	362	116

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

9. Dividends/distributions

S\$ million	GROUP	
	1H 2023	1H 2022
Ordinary dividends:		
2021 final tax-exempt dividend of 28 cents	–	1,260
2022 final tax-exempt dividend of 40 cents	1,800	–
Distributions for other equity instruments:		
4.0% perpetual capital securities	20	20
3.0% perpetual capital securities	3	3
3.9% perpetual capital securities	10	–
Total dividends and distributions	1,833	1,283

10. Share capital

Shares (million)	GROUP AND BANK	
	30 Jun 2023	31 Dec 2022
Issued ordinary shares		
At 1 January	4,515	4,515
Shares issued to non-executive directors	#	#
At 30 June/ 31 December	4,515	4,515
Treasury shares		
At 1 January	(20)	(23)
Share buyback	(9)	(21)
Share Option Scheme	3	6
Share Purchase Plan	1	10
Treasury shares transferred to DSP Trust	5	8
At 30 June/ 31 December	(20)	(20)
Total issued ordinary shares excluding treasury shares	4,495	4,495
Issued share capital (S\$ million)	18,037	18,048

⁽¹⁾ # represents less than 500,000 shares.

Pursuant to the share purchase mandate approved at the annual general meeting held on 25 April 2023, the Bank purchased a total of 9 million ordinary shares in the half year ended 30 June 2023. The ordinary shares were purchased by way of open market acquisitions at prices ranging from S\$11.94 to S\$12.90 per share and the total consideration paid was S\$115 million (including transaction costs).

As at 30 June 2022, the number of treasury shares was 20 million and the total number of issued ordinary shares excluding treasury shares was 4,495 million.

As at 30 June 2023, the number of options outstanding under the OCBC Share Option Scheme 2001 was 16 million (30 June 2022: 21 million) and the number of acquisition rights outstanding under the OCBC Employee Share Purchase Plan was 13 million (30 June 2022: 13 million).

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

11. Deposits and balances of non-bank customers and banks

S\$ million	GROUP	
	30 Jun 2023	31 Dec 2022
Deposits of non-bank customers		
Fixed deposits	164,526	133,415
Savings deposits	66,258	69,036
Current accounts	102,610	112,245
Others	39,068	35,385
	372,462	350,081
Deposits and balances of banks	13,795	10,046
Total deposits	386,257	360,127

12. Debt issued

S\$ million	GROUP	
	30 Jun 2023	31 Dec 2022
Unsecured		
Subordinated debt	3,521	3,484
Fixed and floating rate notes	4,065	3,202
Commercial papers	4,197	10,759
Structured notes	3,021	2,713
Secured		
Covered bonds	687	1,780
	15,491	21,938
Debt issued by maturity		
Within one year	8,436	14,163
Over one year	7,055	7,775
	15,491	21,938

13. Loans to customers

S\$ million	GROUP	
	30 Jun 2023	31 Dec 2022
Gross loans	297,356	294,980
Allowances		
Impaired loans	(1,352)	(1,308)
Non-impaired loans	(2,472)	(2,205)
Net loans	293,532	291,467

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

14. Segment information

14.1 Business segments

S\$ million	Global Consumer/ Private Banking	Global Wholesale Banking	Global Treasury and Markets	Insurance	Others	Group
Half year ended 30 June 2023						
Net interest income	1,698	2,608	49	66	306	4,727
Non-interest income	794	479	151	616	38	2,078
Total income	2,492	3,087	200	682	344	6,805
Operating profit before allowances and amortisation	1,152	2,290	38	562	190	4,232
Amortisation of intangible assets	(7)	-	-	(24)	(20)	(51)
Allowances for loans and other assets	(10)	(146)	#	(14)	(192)	(362)
Operating profit after allowances and amortisation	1,135	2,144	38	524	(22)	3,819
Share of results of associates, net of tax	-	-	-	-	510	510
Profit before income tax	1,135	2,144	38	524	488	4,329
Other information:						
Capital expenditure	71	8	#	37	141	257
Depreciation	42	6	1	4	159	212
Half year ended 30 June 2022 (Restated)						
Net interest income	972	1,602	450	52	127	3,203
Non-interest income	915	482	196	399	28	2,020
Total income	1,887	2,084	646	451	155	5,223
Operating profit before allowances and amortisation	631	1,353	469	283	29	2,765
Amortisation of intangible assets	(7)	-	-	(24)	(21)	(52)
Allowances for loans and other assets	41	(91)	(2)	(5)	(59)	(116)
Operating profit after allowances and amortisation	665	1,262	467	254	(51)	2,597
Share of results of associates, net of tax	-	-	-	-	499	499
Profit before income tax	665	1,262	467	254	448	3,096
Other information:						
Capital expenditure	68	3	1	31	129	232
Depreciation	42	6	1	4	153	206

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

14. Segment information (continued)

14.1 Business segments (continued)

S\$ million	Global Consumer/ Private Banking	Global Wholesale Banking	Global Treasury and Markets	Insurance	Others	Group
At 30 June 2023						
Segment assets	139,099	192,506	132,825	107,599	42,743	614,772
Unallocated assets						720
Elimination						(31,052)
Total assets						584,440
Segment liabilities	195,406	153,248	91,918	99,828	19,891	560,291
Unallocated liabilities						1,281
Elimination						(31,052)
Total liabilities						530,520
Other information:						
Gross non-bank loans	105,007	189,066	2,431	4	848	297,356
Non-performing assets	827	2,436	–	2	10	3,275
At 31 December 2022 (Restated)						
Segment assets	138,516	189,710	111,171	105,311	40,363	585,071
Unallocated assets						722
Elimination						(28,610)
Total assets						557,183
Segment liabilities	178,248	152,092	76,865	97,624	27,314	532,143
Unallocated liabilities						1,266
Elimination						(28,610)
Total liabilities						504,799
Other information:						
Gross non-bank loans	106,769	185,629	1,737	3	842	294,980
Non-performing assets	886	2,591	–	2	7	3,486

14. Segment information *(continued)*

14.1 Business segments *(continued)*

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.

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 in 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.

Where there are material changes in the organisational structure and management reporting methodologies, segment information for prior periods is reclassified to allow comparability.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

14. Segment information (continued)

14.2 Geographical segments

	1H 2023	1H 2022
	S\$ million	S\$ million
		(Restated)
Total income		
Singapore	4,199	2,907
Malaysia	814	749
Indonesia	518	473
Greater China	875	755
Other Asia Pacific	149	119
Rest of the World	250	220
	6,805	5,223
Operating profit before allowances and amortisation		
Singapore	2,616	1,449
Malaysia	567	486
Indonesia	285	246
Greater China	472	350
Other Asia Pacific	110	82
Rest of the World	182	152
	4,232	2,765
Profit before income tax		
Singapore	2,397	1,456
Malaysia	590	533
Indonesia	207	174
Greater China	1,003	741
Other Asia Pacific	136	79
Rest of the World	(4)	113
	4,329	3,096
	30 Jun 2023	31 Dec 2022
	S\$ million	S\$ million
		(Restated)
Total assets		
Singapore	343,106	321,002
Malaysia	60,758	64,810
Indonesia	22,957	21,166
Greater China	95,260	93,295
Other Asia Pacific	21,117	20,284
Rest of the World	41,242	36,626
	584,440	557,183

The geographical segment analysis is based on the location where assets or transactions are booked. The geographical information is stated after elimination of intra-group transactions and balances.

15. Fair values of financial instruments

15.1 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 Group Risk Management Division (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 Group Chief Executive Officer (CEO) and Board Risk Management Committee (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.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

15. Fair values of financial instruments (continued)

15.2 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.

15.3 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.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

15. Fair values of financial instruments (continued)

15.3 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:

S\$ million	GROUP							
	30 Jun 2023				31 Dec 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Recurring fair value measurements								
Financial assets measured at fair value								
Placements with and loans to banks	2,302	16,449	–	18,751	2,222	10,980	–	13,202
Debt and equity securities	22,066	7,493	3,089	32,648	18,453	5,869	3,381	27,703
Loans to customers	–	–	10	10	–	–	23	23
Derivative receivables	44	18,186	513	18,743	117	15,141	347	15,605
Government treasury bills and securities	32,030	5,950	–	37,980	34,096	4,315	–	38,411
Life insurance fund investment securities and other assets	53,991	27,003	2,901	83,895	51,460	25,442	3,256	80,158
Total	110,433	75,081	6,513	192,027	106,348	61,747	7,007	175,102
Non-financial assets measured at fair value								
Life insurance fund investment properties and asset held for sale	–	–	1,868	1,868	–	–	1,954	1,954
Associates	–	–	124	124	–	–	122	122
Total	–	–	1,992	1,992	–	–	2,076	2,076
Financial liabilities measured at fair value								
Derivative payables	91	18,129	631	18,851	103	15,662	283	16,048
Trading portfolio liabilities	292	–	–	292	212	–	–	212
Debt issued	–	1,306	–	1,306	–	1,040	–	1,040
Life insurance fund financial liabilities	8	314	–	322	22	253	–	275
Total	391	19,749	631	20,771	337	16,955	283	17,575

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.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

15. Fair values of financial instruments (continued)

15.3 Fair value hierarchy (continued)

Valuation techniques and unobservable inputs for Level 3 instruments

GROUP S\$ million	Fair value at 30 Jun 2023	Classification	Valuation techniques	Unobservable inputs
Financial assets				
Equity securities	3,089	FVTPL/FVOCI	Net asset value/ Multiples/Discounted cash flows	Value of net asset/ Earnings and multiples/Cash flows and discount rate
Loans to customers	10	FVTPL	Discounted cash flows	Cash flows and discount rate
Derivative receivables	513	FVTPL	Option pricing model Derivatives pricing	Volatility/Correlation Interest rate
Life insurance fund investment securities and other assets	2,901	FVTPL/FVOCI	Income approach/Net asset value	Risk adjusted discount rate/Value of net asset
Total	6,513			
Financial liabilities				
Derivative payables	631	FVTPL	Option pricing model Derivatives pricing	Volatility/Correlation Interest rate
Total	631			

Movements in Level 3 financial assets and liabilities

GROUP S\$ 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 2023	3,381	23	347	3,256	7,007
Purchases	31	–	41	729	801
Settlements/disposals	(158)	(47)	(28)	(1,085)	(1,318)
Transfers out ⁽¹⁾	(158)	–	–	–	(158)
Gains/(losses) recognised in					
- profit or loss	53	34	151	1	239
- other comprehensive income	(60)	–	2	(#)	(58)
At 30 June 2023	3,089	10	513	2,901	6,513
Unrealised gains included in profit or loss for assets held at the end of the period	51	64	516	6	637

⁽¹⁾ Relates to transfers from Level 3 to Level 2 due to use of inputs based on market observable data.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

15. Fair values of financial instruments (continued)

15.3 Fair value hierarchy (continued)

Movements in Level 3 financial assets and liabilities (continued)

GROUP S\$ 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 2022	1,172	47	812	2,552	4,583
Purchases	519	46	43	600	1,208
Settlements/disposals	(14)	(27)	(41)	(335)	(417)
Transfers in ⁽¹⁾	1,729	–	51	549	2,329
Gains/(losses) recognised in					
- profit or loss	(24)	(43)	(520)	(106)	(693)
- other comprehensive income	(1)	#	2	(4)	(3)
At 31 December 2022	3,381	23	347	3,256	7,007
Unrealised (losses)/gains included in profit or loss for assets held at the end of the year	(24)	(22)	152	(47)	59

⁽¹⁾ Relates to transfers from Levels 1 and 2 to Level 3 due to use of inputs not based on market observable data.

GROUP S\$ million	2023		2022	
	Derivative payables	Total	Derivative payables	Total
Financial liabilities measured at fair value				
At 1 January	283	283	640	640
Issues	64	64	59	59
Settlements/disposals	(43)	(43)	(143)	(143)
Transfers in ⁽¹⁾	–	–	39	39
Losses/(gains) recognised in				
- profit or loss	325	325	(314)	(314)
- other comprehensive income	2	2	2	2
At 30 June/ 31 December	631	631	283	283
Unrealised losses included in profit or loss for liabilities held at the end of the period	(673)	(673)	(351)	(351)

⁽¹⁾ Relates to transfers from Level 2 to Level 3 due to use of inputs not based on market observable data.

OVERSEA-CHINESE BANKING CORPORATION LIMITED AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

For the half year ended 30 June 2023

15. Fair values of financial instruments (continued)

15.3 Fair value hierarchy (continued)

Movements in Level 3 non-financial assets

GROUP S\$ million	2023			2022		
	Life insurance fund investment properties and asset held for sale ⁽¹⁾	Associates ⁽²⁾	Total	Life insurance fund investment properties and asset held for sale ⁽¹⁾	Associates ⁽²⁾	Total
Non-financial assets measured at fair value						
At 1 January	1,954	122	2,076	1,884	95	1,979
Purchases	–	8	8	1	–	1
Settlements/disposals	(92)	–	(92)	–	–	–
Gains/(losses) recognised in						
- profit or loss	20	–	20	91	24	115
- other comprehensive income	(14)	(6)	(20)	(22)	3	(19)
At 30 June/31 December	1,868	124	1,992	1,954	122	2,076

⁽¹⁾ The fair value of investment properties and asset held for sale is determined based on a combination of income approach, comparison approach and capitalisation approach under Level 3 fair value measurements.

⁽²⁾ The fair value of investment in associate is determined based on market approach under Level 3 fair value measurements.

Other Information Required by Listing Rule Appendix 7.2

OTHER INFORMATION

1. Review

The condensed interim financial statements, comprising the balance sheets of Oversea-Chinese Banking Corporation Limited (the Bank) and its subsidiaries (the Group) as at 30 June 2023 and the consolidated income statement, consolidated statement of comprehensive income, statement of changes in equity for Group and Bank and consolidated cash flow statement for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of the performance of the Group for the six-month period ended 30 June 2023

Please refer to the “Media Release” section.

3. Dividend information

Please refer to “Letter to Shareholders”.

4. Interested person transactions

The Bank has not obtained a general mandate from shareholders for Interested Person Transactions pursuant to Rule 920(1) of the Listing Manual.

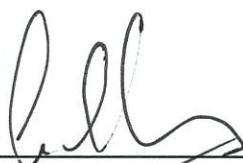
5. Undertaking from directors and executive officers

The Bank has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 of the Listing Manual pursuant to Rule 720(1) of the Listing Manual.

CONFIRMATION BY THE BOARD

We, Andrew Lee Kok Keng and Helen Wong Pik Kuen, being directors of Oversea-Chinese Banking Corporation Limited ("the Bank"), do hereby confirm on behalf of the Board of Directors of the Bank, that to the best of our knowledge, nothing has come to our attention which may render the unaudited financial results of the Bank and of the Group for the half year ended 30 June 2023 to be false or misleading.

On behalf of the Board of Directors



Andrew Lee Kok Keng
Chairman



Helen Wong Pik Kuen
Group Chief Executive Officer / Director

3 August 2023

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;

“**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;

“ 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;

“**SONIA _{$i-x$ LBD}**” 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:

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

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 Index_{START} or SONIA Compounded Index_{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:

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

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-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 $SOFR_{i-xUSBD}$ 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

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” 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

“**D₂**” 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

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” 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

“**D₂**” 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

“**Y₁**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y₂**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M₁**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M₂**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D₁**” 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

“**D₂**” 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;

“**d_o**”, for any Distribution Accrual Period, is the number of Singapore Business Days in the relevant Distribution Accrual 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 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;

“**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;

“ 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

“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 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); 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(l)(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 Cancellation:** 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 Cancellation 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 Cancellation 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) **Cancellation:** All Perpetual Capital Securities purchased by or on behalf of the Issuer or any of its subsidiaries may be surrendered for cancellation 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 cancellation 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 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.

(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 1986, 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.