

# Income Statements

For the financial year ended 31 December 2025

In \$ million	Note	GROUP		BANK	
		2025	2024	2025	2024
Interest income		20,076	22,444	14,558	16,532
Interest expense		(10,926)	(12,689)	(9,038)	(10,402)
<b>Net interest income</b>	3	<b>9,150</b>	9,755	<b>5,520</b>	6,130
Insurance service results from life insurance <sup>(1)</sup>	4	927	592	–	–
Net investment income from life insurance	4	7,365	6,124	–	–
Net insurance financial result from life insurance	4	(7,237)	(5,811)	–	–
Insurance service results from general insurance		14	12	–	–
Fees and commissions (net)	5	2,411	1,970	1,160	943
Dividends from subsidiaries and associates	6	–	–	1,753	1,668
Net trading income	7	1,684	1,537	720	739
Other income	8	300	294	134	1,171
<b>Non-interest income</b>		<b>5,464</b>	4,718	<b>3,767</b>	4,521
<b>Total income</b>		<b>14,614</b>	14,473	<b>9,287</b>	10,651
Staff costs		(3,907)	(3,837)	(1,433)	(1,448)
Other operating expenses		(1,975)	(1,905)	(1,514)	(1,532)
<b>Total operating expenses</b>	9	<b>(5,882)</b>	(5,742)	<b>(2,947)</b>	(2,980)
<b>Operating profit before allowances and amortisation</b>		<b>8,732</b>	8,731	<b>6,340</b>	7,671
Amortisation of intangible assets	36	(21)	(59)	–	–
Allowances for loans and other assets	10	(665)	(690)	(428)	(191)
<b>Operating profit after allowances and amortisation</b>		<b>8,046</b>	7,982	<b>5,912</b>	7,480
Share of results of associates, net of tax		1,077	994	–	–
<b>Profit before income tax</b>		<b>9,123</b>	8,976	<b>5,912</b>	7,480
Income tax expense	11	(1,563)	(1,228)	(813)	(619)
<b>Profit for the year</b>		<b>7,560</b>	7,748	<b>5,099</b>	6,861
<b>Attributable to:</b>					
Equity holders of the Bank		7,422	7,587	5,099	6,861
Non-controlling interests		138	161	–	–
		<b>7,560</b>	7,748	<b>5,099</b>	6,861
<b>Earnings per share (\$)</b>	12				
Basic		1.63	1.67		
Diluted		1.63	1.67		

<sup>(1)</sup> Includes insurance revenue of \$6,466 million (2024: \$6,180 million) and insurance service expense of \$5,634 million (2024: \$5,701 million).

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

# Statements of Comprehensive Income

For the financial year ended 31 December 2025

In \$ million	GROUP		BANK	
	2025	2024	2025	2024
<b>Profit for the year</b>	<b>7,560</b>	7,748	<b>5,099</b>	6,861
<b>Other comprehensive income:</b>				
<b>Items that may be reclassified subsequently to income statement:</b>				
Financial assets, at FVOCI <sup>(1)</sup>				
Fair value gains for the year	<b>788</b>	344	<b>259</b>	245
Reclassification of (gains)/losses to income statement				
– on disposal	<b>(71)</b>	(12)	<b>6</b>	(14)
– on impairment	<b>(3)</b>	(4)	<b>(4)</b>	5
Tax on net movements	<b>(95)</b>	(21)	<b>(14)</b>	(4)
Cash flow and other hedges	<b>(91)</b>	70	<b>(90)</b>	94
Net insurance financial result	<b>(193)</b>	(77)	–	–
Currency translation on foreign subsidiaries and overseas branches	<b>(424)</b>	334	<b>(56)</b>	(52)
Other comprehensive (losses)/income of associates	<b>(335)</b>	388	–	–
<b>Items that will not be reclassified subsequently to income statement:</b>				
Currency translation on foreign operations attributable to non-controlling interests	<b>(44)</b>	(2)	–	–
Equity instruments, at FVOCI, <sup>(1)</sup> net change in fair value	<b>171</b>	172	<b>(#)</b>	(9)
Defined benefit plans remeasurements	<b>2</b>	#	<b>(#)</b>	#
Own credit	<b>(#)</b>	(1)	<b>(#)</b>	(#)
<b>Total other comprehensive income, net of tax</b>	<b>(295)</b>	1,191	<b>101</b>	265
<b>Total comprehensive income for the year, net of tax</b>	<b>7,265</b>	8,939	<b>5,200</b>	7,126
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Bank	<b>7,150</b>	8,763		
Non-controlling interests	<b>115</b>	176		
	<b>7,265</b>	8,939		

(1) Fair value through other comprehensive income.

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

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

# Balance Sheets

As at 31 December 2025

In \$ million	Note	GROUP		BANK	
		31 December 2025	31 December 2024	31 December 2025	31 December 2024
<b>EQUITY</b>					
<b>Attributable to equity holders of the Bank</b>					
Share capital	13	17,887	18,096	17,887	18,096
Other equity instruments	14	1,698	1,698	1,698	1,698
Capital reserves	15	765	830	528	534
Fair value reserves		749	313	20	(225)
Revenue reserves	16	40,669	38,379	22,407	21,929
		61,768	59,316	42,540	42,032
Other equity instruments issued by subsidiary	14	676	–	–	–
Non-controlling interests		1,126	1,064	–	–
<b>Total equity</b>		<b>63,570</b>	<b>60,380</b>	<b>42,540</b>	<b>42,032</b>
<b>LIABILITIES</b>					
Deposits of non-bank customers	17	428,286	390,687	288,283	253,175
Deposits and balances of banks	17	15,280	11,565	12,526	8,951
Due to subsidiaries		–	–	42,735	46,602
Due to associates		283	324	209	232
Trading portfolio liabilities		197	281	197	222
Derivative payables	18	14,078	16,238	12,636	12,855
Other liabilities	19	12,004	9,370	5,187	3,982
Current tax payables		1,118	879	766	560
Deferred tax liabilities	20	991	841	165	138
Debt issued	21	30,482	31,553	28,960	30,321
		502,719	461,738	391,664	357,038
Insurance contract liabilities and other liabilities for life insurance funds	22	109,399	102,932	–	–
<b>Total liabilities</b>		<b>612,118</b>	<b>564,670</b>	<b>391,664</b>	<b>357,038</b>
<b>Total equity and liabilities</b>		<b>675,688</b>	<b>625,050</b>	<b>434,204</b>	<b>399,070</b>
<b>ASSETS</b>					
Cash and placements with central banks	23	30,756	34,599	27,095	30,525
Singapore government treasury bills and securities	24	21,506	14,316	20,451	13,182
Other government treasury bills and securities	24	44,898	30,369	22,681	11,196
Placements with and loans to banks	25	37,942	42,407	25,548	32,174
Loans to customers	26	336,692	315,096	245,802	227,598
Debt and equity securities	29	53,267	43,413	33,093	26,311
Derivative receivables	18	13,035	17,203	11,640	13,582
Other assets	31	9,622	7,761	4,379	3,784
Deferred tax assets	20	489	538	239	175
Associates	32	8,799	8,153	2,199	2,234
Subsidiaries	33	–	–	37,795	35,471
Property, plant and equipment	34	4,041	3,725	1,360	914
Investment property	35	672	675	55	57
Goodwill and other intangible assets	36	4,360	4,504	1,867	1,867
		566,079	522,759	434,204	399,070
Investment securities for life insurance funds	22	100,151	94,452	–	–
Other assets for life insurance funds	22	9,458	7,839	–	–
<b>Total assets</b>		<b>675,688</b>	<b>625,050</b>	<b>434,204</b>	<b>399,070</b>

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

# Statement of Changes in Equity – Group

For the financial year ended 31 December 2025

In \$ million	Attributable to equity holders of the Bank					Other equity instruments issued by subsidiary	Non-controlling interests	Total equity
	Share capital and other equity	Capital reserves <sup>(1)</sup>	Fair value reserves	Revenue reserves	Total			
<b>At 1 January 2025</b>	<b>19,794</b>	<b>830</b>	<b>313</b>	<b>38,379</b>	<b>59,316</b>	<b>–</b>	<b>1,064</b>	<b>60,380</b>
<b>Total comprehensive income for the year</b>								
<b>Profit for the year</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>7,422</b>	<b>7,422</b>	<b>–</b>	<b>138</b>	<b>7,560</b>
<b>Other comprehensive income</b>								
<b>Items that may be reclassified subsequently to income statement:</b>								
Financial assets, at FVOCI								
Fair value gains for the year	–	–	756	–	756	–	32	788
Reclassification of gains to income statement								
– on disposal	–	–	(67)	–	(67)	–	(4)	(71)
– on impairment	–	–	(3)	–	(3)	–	(#)	(3)
Tax on net movements	–	–	(89)	–	(89)	–	(6)	(95)
Cash flow and other hedges	–	–	–	(91)	(91)	–	–	(91)
Net insurance financial result	–	–	–	(181)	(181)	–	(12)	(193)
Currency translation on foreign subsidiaries and overseas branches	–	–	–	(424)	(424)	–	–	(424)
Other comprehensive losses of associates	–	–	(230)	(105)	(335)	–	–	(335)
<b>Items that will not be reclassified subsequently to income statement:</b>								
Currency translation on foreign operations attributable to non-controlling interests	–	–	–	–	–	–	(44)	(44)
Equity instruments, at FVOCI, net change in fair value	–	–	69	91	160	–	11	171
Defined benefit plans remeasurements	–	–	–	2	2	–	#	2
Own credit	–	–	–	(#)	(#)	–	–	(#)
<b>Total other comprehensive income, net of tax</b>	<b>–</b>	<b>–</b>	<b>436</b>	<b>(708)</b>	<b>(272)</b>	<b>–</b>	<b>(23)</b>	<b>(295)</b>
<b>Total comprehensive income for the year</b>	<b>–</b>	<b>–</b>	<b>436</b>	<b>6,714</b>	<b>7,150</b>	<b>–</b>	<b>115</b>	<b>7,265</b>
<b>Transactions with owners, recorded directly in equity</b>								
<b>Contributions by and distributions to owners</b>								
Transfers	12	(82)	–	70	–	–	–	–
Buy-back of shares for holding as treasury shares	(220)	–	–	–	(220)	–	–	(220)
Cancellation of shares	(225)	–	–	–	(225)	–	–	(225)
Dividends and distributions	–	–	–	(4,492)	(4,492)	–	(53)	(4,545)
DSP reserve from dividends on unvested shares	–	–	–	(2)	(2)	–	–	(2)
Perpetual capital securities issued	–	–	–	–	–	676	–	676
Share-based payments for staff costs	–	6	–	–	6	–	–	6
Shares issued to non-executive directors	1	–	–	–	1	–	–	1
Shares transferred to DSP trust	–	(18)	–	–	(18)	–	–	(18)
Shares vested under DSP Scheme	–	132	–	–	132	–	–	132
Treasury shares transferred/sold	223	(103)	–	–	120	–	–	120
<b>Total contributions by and distributions to owners</b>	<b>(209)</b>	<b>(65)</b>	<b>–</b>	<b>(4,424)</b>	<b>(4,698)</b>	<b>676</b>	<b>(53)</b>	<b>(4,075)</b>
<b>At 31 December 2025</b>	<b>19,585</b>	<b>765</b>	<b>749</b>	<b>40,669</b>	<b>61,768</b>	<b>676</b>	<b>1,126</b>	<b>63,570</b>
Included in the balances:								
Share of reserves of associates	–	–	369	5,455	5,824	–	–	5,824

(1) Included regulatory loss allowance reserve of \$455 million at 1 January 2025 and \$445 million at 31 December 2025.

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

An analysis of the movements in each component within “Share capital”, “Other equity instruments”, “Capital reserves” and “Revenue reserves” is presented in Notes 13 to 16.

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

In \$ million	Attributable to equity holders of the Bank					Other equity instruments issued by subsidiary	Non-controlling interests	Total equity
	Share capital and other equity	Capital reserves <sup>(1)</sup>	Fair value reserves	Revenue reserves	Total			
<b>At 1 January 2024</b>	19,293	815	(439)	34,501	54,170	–	1,384	55,554
<b>Total comprehensive income for the year</b>								
<b>Profit for the year</b>	–	–	–	7,587	7,587	–	161	7,748
<b>Other comprehensive income</b>								
<b>Items that may be reclassified subsequently to income statement:</b>								
Financial assets, at FVOCI								
Fair value gains/(losses) for the year	–	–	351	–	351	–	(7)	344
Reclassification of (gains)/losses to income statement								
– on disposal	–	–	(17)	–	(17)	–	5	(12)
– on impairment	–	–	(3)	–	(3)	–	(1)	(4)
Tax on net movements	–	–	(22)	–	(22)	–	1	(21)
Cash flow and other hedges	–	–	–	70	70	–	–	70
Net insurance financial result	–	–	–	(74)	(74)	–	(3)	(77)
Currency translation on foreign subsidiaries and overseas branches	–	–	–	334	334	–	–	334
Other comprehensive income of associates	–	–	365	23	388	–	–	388
<b>Items that will not be reclassified subsequently to income statement:</b>								
Currency translation on foreign operations attributable to non-controlling interests	–	–	–	–	–	–	(2)	(2)
Equity instruments, at FVOCI, net change in fair value	–	–	78	72	150	–	22	172
Defined benefit plans remeasurements	–	–	–	#	#	–	#	#
Own credit	–	–	–	(1)	(1)	–	–	(1)
<b>Total other comprehensive income, net of tax</b>	–	–	752	424	1,176	–	15	1,191
<b>Total comprehensive income for the year</b>	–	–	752	8,011	8,763	–	176	8,939
<b>Transactions with owners, recorded directly in equity</b>								
<b>Contributions by and distributions to owners</b>								
Transfers	16	(6)	–	(10)	–	–	–	–
Buy-back of shares for holding as treasury shares	(194)	–	–	–	(194)	–	–	(194)
Dividends and distributions	–	–	–	(3,933)	(3,933)	–	(54)	(3,987)
DSP reserve from dividends on unvested shares	–	–	–	11	11	–	–	11
Perpetual capital securities issued	450	–	–	–	450	–	–	450
Share-based payments for staff costs	–	6	–	–	6	–	–	6
Shares issued to non-executive directors	1	–	–	–	1	–	–	1
Shares transferred to DSP Trust	–	(16)	–	–	(16)	–	–	(16)
Shares vested under DSP Scheme	–	107	–	–	107	–	–	107
Treasury shares transferred/sold	228	(76)	–	–	152	–	–	152
<b>Total contributions by and distributions to owners</b>	501	15	–	(3,932)	(3,416)	–	(54)	(3,470)
Changes in non-controlling interest	–	–	–	(201)	(201)	–	(442)	(643)
<b>At 31 December 2024</b>	19,794	830	313	38,379	59,316	–	1,064	60,380
Included in the balances:								
Share of reserves of associates	–	–	600	4,789	5,389	–	–	5,389

<sup>(1)</sup> Included regulatory loss allowance reserve of \$455 million at 1 January 2024 and 31 December 2024.

<sup>(2)</sup> # represents amounts less than \$0.5 million.

An analysis of the movements in each component within “Share capital”, “Other equity instruments”, “Capital reserves” and “Revenue reserves” is presented in Notes 13 to 16.

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

# Statement of Changes in Equity – Bank

For the financial year ended 31 December 2025

In \$ million	Share capital and other equity	Capital reserves <sup>(1)</sup>	Fair value reserves	Revenue reserves	Total equity
<b>At 1 January 2025</b>	<b>19,794</b>	<b>534</b>	<b>(225)</b>	<b>21,929</b>	<b>42,032</b>
Profit for the year	–	–	–	5,099	5,099
Other comprehensive income /(losses)	–	–	245	(144)	101
<b>Total comprehensive income for the year <sup>(2)</sup></b>	<b>–</b>	<b>–</b>	<b>245</b>	<b>4,955</b>	<b>5,200</b>
Transfers	12	(12)	–	–	–
Buy-back of shares for holding as treasury shares	(220)	–	–	–	(220)
Cancellation of shares	(225)	–	–	–	(225)
Dividends and distributions	–	–	–	(4,475)	(4,475)
DSP reserve from dividends on unvested shares	–	–	–	(2)	(2)
Share-based payments for staff costs	–	6	–	–	6
Shares issued to non-executive directors	1	–	–	–	1
Treasury shares transferred/sold	223	–	–	–	223
<b>At 31 December 2025</b>	<b>19,585</b>	<b>528</b>	<b>20</b>	<b>22,407</b>	<b>42,540</b>
<b>At 1 January 2024</b>	<b>19,293</b>	<b>544</b>	<b>(435)</b>	<b>18,935</b>	<b>38,337</b>
Profit for the year	–	–	–	6,861	6,861
Other comprehensive income	–	–	210	55	265
<b>Total comprehensive income for the year <sup>(2)</sup></b>	<b>–</b>	<b>–</b>	<b>210</b>	<b>6,916</b>	<b>7,126</b>
Transfers	16	(16)	–	–	–
Buy-back of shares for holding as treasury shares	(194)	–	–	–	(194)
Dividends and distributions	–	–	–	(3,933)	(3,933)
DSP reserve from dividends on unvested shares	–	–	–	11	11
Perpetual capital securities issued	450	–	–	–	450
Share-based payments for staff costs	–	6	–	–	6
Shares issued to non-executive directors	1	–	–	–	1
Treasury shares transferred/sold	228	–	–	–	228
<b>At 31 December 2024</b>	<b>19,794</b>	<b>534</b>	<b>(225)</b>	<b>21,929</b>	<b>42,032</b>

<sup>(1)</sup> Included regulatory loss allowance reserve of \$444 million at 1 January 2025, 1 January 2024, 31 December 2025 and 31 December 2024.

<sup>(2)</sup> Refer to Statements of Comprehensive Income for detailed breakdown.

An analysis of the movements in each component within “Share capital”, “Other equity instruments”, “Capital reserves” and “Revenue reserves” is presented in Notes 13 to 16.

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

# Consolidated Cash Flow Statement

For the financial year ended 31 December 2025

In \$ million	2025	2024
<b>Cash flows from operating activities</b>		
Profit before income tax	9,123	8,976
Adjustments for non-cash items:		
Allowances for loans and other assets	665	690
Amortisation of intangible assets	21	59
Change in hedging transactions, fair value through profit or loss securities and debt issued	377	356
Depreciation of property, plant and equipment and interest expense on lease liabilities	551	463
Net (gain)/loss on disposal of interests in associates/subsidiaries	(63)	#
Net gain on disposal of government, debt and equity securities	(58)	(24)
Net gain on disposal of property, plant and equipment	(18)	(36)
Share-based costs	62	62
Share of results of associates, net of tax	(1,077)	(994)
Others	-	(72)
Operating profit before change in operating assets and liabilities	9,583	9,480
Change in operating assets and liabilities:		
Deposits of non-bank customers	37,565	26,052
Deposits and balances of banks	3,716	679
Derivative payables and other liabilities	(571)	3,482
Trading portfolio liabilities	(84)	87
Restricted balances with central banks	(439)	(354)
Government securities and treasury bills	(21,411)	1,188
Fair value through profit or loss securities	(4,840)	(3,195)
Placements with and loans to banks	4,465	(4,246)
Loans to customers	(22,082)	(22,330)
Derivative receivables and other assets	2,616	(3,969)
Net change in other assets and liabilities for life insurance funds	2,087	(1,321)
Cash provided by operating activities	10,605	5,553
Income tax paid <sup>(1)</sup>	(1,480)	(1,589)
<b>Net cash provided by operating activities</b>	<b>9,125</b>	<b>3,964</b>
<b>Cash flows from investing activities</b>		
Net cash outflow from acquisition of subsidiary	-	(31)
Dividends from associates	294	158
Purchases of debt and equity securities	(41,960)	(34,021)
Purchases of investment securities for life insurance funds	(60,728)	(45,566)
Purchases of property, plant and equipment	(983)	(614)
Proceeds from disposal of debt and equity securities	36,193	30,750
Proceeds from disposal of interests in associates	115	#
Proceeds from disposal of investment securities for life insurance funds	58,728	44,948
Proceeds from disposal of property, plant and equipment	45	44
<b>Net cash used in investing activities</b>	<b>(8,296)</b>	<b>(4,332)</b>
<b>Cash flows from financing activities</b>		
Changes in non-controlling interests	-	(643)
Buy-back of shares for holding as treasury shares/cancellation	(445)	(194)
Dividends and distributions paid	(4,545)	(3,987)
Net (redemption)/issue of other debt issued (Note 21.6)	(558)	4,557
Net proceeds from perpetual capital securities issued	676	450
Repayments of lease liabilities	(43)	(78)
Proceeds from subordinated debt issued (Note 21.6)	1,438	1,165
Redemption of subordinated debt issued (Note 21.6)	(1,284)	(1,352)
Proceeds from treasury shares transferred/sold under the Bank's employee share schemes	120	152
<b>Net cash (used in)/provided by financing activities</b>	<b>(4,641)</b>	<b>70</b>
<b>Net change in cash and cash equivalents</b>	<b>(3,812)</b>	<b>(298)</b>
Net currency translation adjustments	(469)	257
Cash and cash equivalents at 1 January	28,829	28,870
<b>Cash and cash equivalents at 31 December (Note 23)</b>	<b>24,548</b>	<b>28,829</b>

(1) In 2025, the Group paid income tax of \$1,480 million (2024: \$1,589 million), of which \$709 million (2024: \$786 million) was paid in Singapore and \$771 million (2024: \$803 million) in other jurisdictions.

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

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

# Notes to the Financial Statements

For the financial year ended 31 December 2025

These notes form an integral part of the financial statements.

The Board of Directors of Oversea-Chinese Banking Corporation Limited authorised these financial statements for issue on 24 February 2026.

## 1. General

Oversea-Chinese Banking Corporation Limited (the Bank) is incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited. The address of the Bank's registered office is 63 Chulia Street, #10-00 OCBC Centre East, Singapore 049514.

The consolidated financial statements relate to the Bank and its subsidiaries (together referred to as the Group) and the Group's interests in associates. The Group is principally engaged in the business of banking, life insurance, general insurance, asset management, investment holding, futures and stockbroking.

## 2. Material Accounting Policy Information

### 2.1 Basis of Preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)) as required by the Singapore Companies Act 1967 (the Act).

The financial statements are presented in Singapore Dollar, rounded to the nearest million unless otherwise stated. # represents amounts less than \$0.5 million. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement, use estimates and make assumptions in the application of accounting policies on the reported amounts of assets, liabilities, revenues and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from these estimates. Critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a high degree of judgement or complexity, are disclosed in Note 2.21.

The following new/revised financial reporting standards and interpretations were applied with effect from 1 January 2025:

SFRS(I)	Title
SFRS(I) 1-21 (Amendments), SFRS(I) 1 (Amendments)	<i>Lack of Exchangeability</i>

The initial application of the above standards (including their consequential amendments) and interpretations did not have any material impact on the Group's financial statements.

## 2.2 Basis of Consolidation

### 2.2.1 Subsidiaries

Subsidiaries are entities over which the Group controls when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are consolidated from the date when control is transferred to the Group and cease to be consolidated on the date when that control ceases. The Group reassesses whether it controls an investee if facts and circumstances indicate that there have been changes to its power, its rights to variable returns or its ability to use its power to affect its returns.

In preparing the consolidated financial statements, intra-group transactions and balances, together with unrealised income and expenses arising from the intra-group transactions among group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies within the Group.

Non-controlling interests (NCI) represent the equity in subsidiaries not attributable, directly or indirectly, to shareholders of the Bank, and are presented separately from equity attributable to equity holders of the Bank. For NCI that arise through minority unit holders' interest in the insurance subsidiaries of Great Eastern Holdings Limited (GEH) consolidated investment funds, they are recognised as a liability. These interests qualify as a financial liability as they give the holder the right to put the instrument back to the issuer for cash. Changes in these liabilities are recognised in the income statement as expenses.

The Group applies the acquisition method to account for business combinations. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the acquisition date. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any NCI at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets at the acquisition date.

## 2. Material Accounting Policy Information (continued)

### 2.2 Basis of Consolidation (continued)

#### 2.2.1 Subsidiaries (continued)

The excess of the fair value of the sum of consideration transferred, the recognised amount of any NCI in the acquiree and the acquisition-date fair values of any previously held equity interest in the acquiree over the fair value of the identifiable net assets acquired is recognised as goodwill at the date of acquisition. When the excess is negative, a bargain purchase gain is recognised immediately in the income statement.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition has occurred at the beginning of the earliest comparative year presented or, if later, at the date that common control was established; for this purpose, comparatives are reclassified. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within the Group's equity and any gain/loss arising is recognised directly in equity.

#### 2.2.2 Structured Entities

A structured entity is an entity in which voting or similar rights are not the dominant factor in deciding control and is generally established for a narrow and well-defined objective.

For the purpose of disclosure, the Group is considered to be the sponsor of a structured entity if it has a key role in establishing the structured entity or its name appears in the overall structure of the structured entity.

#### 2.2.3 Associates and Joint Ventures

Associates are entities over which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

Joint ventures are arrangements to undertake economic activities in which the Group has joint control and rights to the net assets of the entities.

Investments in associates and joint ventures are accounted for in the Bank's financial statements at cost and in the Group's consolidated financial statements using the equity method of accounting (equity accounting). If the investment in an associate is held by, or is held indirectly through, an

entity that is a venture capital organisation, or a mutual fund, unit trust and similar entities including investment-linked insurance funds, the Group may elect to measure that investment at fair value through profit or loss in accordance with SFRS(I) 9 Financial Instruments. The Group will make this election separately for each associate, at initial recognition of the associate.

Under equity accounting, the investment is initially recognised at cost, and the carrying amount is adjusted for post-acquisition changes of the Group's share of the net assets of the entity until the date the significant influence or joint control ceases. The Group's investment in associates and joint ventures includes goodwill identified on acquisition, where applicable. When the Group's share of losses equals or exceeds its interests in the associates and joint ventures, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the entities.

In applying equity accounting, unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interests in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of associates and joint ventures to ensure consistency of accounting policies with those of the Group.

The results of associates and joint ventures are taken from audited financial statements or unaudited management accounts of the entities concerned, made up to dates of not more than three months prior to the reporting date of the Group.

The investment in an associate or joint venture is derecognised when the Group ceases to have significant influence or joint control, respectively, over the investee. Amounts previously recognised in other comprehensive income (OCI) in respect of the investee are transferred to the income statement. Any retained interest in the entity is re-measured at its fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control ceases, and its corresponding fair value, is recognised in the income statement.

#### 2.2.4 Investments in Subsidiaries, Associates and Joint Ventures by the Bank

These investments are stated in the Bank's balance sheet at cost less any impairment in value after the date of acquisition.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 2. Material Accounting Policy Information (continued)

### 2.3 Currency Translation

#### 2.3.1 Foreign Currency Transactions

Transactions in foreign currencies are recorded in the respective functional currencies of the Bank and its subsidiaries at the exchange rates prevailing on the transaction dates. Monetary items denominated in foreign currencies are translated to the respective entities' functional currencies at the exchange rates prevailing at the reporting date. Exchange differences arising on settlement and translation of such items are recognised in the income statement.

Non-monetary items denominated in foreign currencies that are measured at fair value are translated at the exchange rate on the date the fair value is determined. Exchange differences on non-monetary items such as equity investments classified as fair value through other comprehensive income (FVOCI) financial assets are recognised in OCI and presented in the fair value reserve within equity.

#### 2.3.2 Foreign Operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustment arising on the acquisition of a foreign operation, are translated to Singapore Dollar at exchange rates prevailing at the reporting date. The income and expenses of foreign operations are translated to Singapore Dollar at average exchange rates for the year, which approximate the exchange rates at the dates of the transactions.

Differences arising from the translation of a foreign operation are recognised in OCI and presented in the currency translation reserve within equity. When a foreign operation is disposed of, in part or in full, the relevant amount in the currency translation reserve is included in the income statement on disposal of the operation.

### 2.4 Cash and Cash Equivalents

In the consolidated cash flow statement, cash and cash equivalents comprise cash on hand, money market placements, reverse repo and other balances with central banks which are generally short-term financial instruments or repayable on demand.

### 2.5 Financial Instruments

#### 2.5.1 Recognition

The Group initially recognises derivative financial instruments (forwards, futures, swaps and options) on the trade date. It initially recognises non-derivative financial instruments (loans and advances, deposits and debts issued, and regular way purchases and sales of financial assets) on the settlement date. Regular-way purchases and sales are those settled

within the time period established by regulation or market convention.

#### 2.5.2 Derecognition

Financial assets are derecognised when the Group's contractual rights to the cash flows from the financial assets expire or when the Group transfers the financial asset to another party without retaining control or transfers substantially all the risks and rewards of ownership of the asset. Financial liabilities are derecognised when the Group's obligations specified in the contract expire or are discharged or cancelled.

#### 2.5.3 Modifications

The original terms of a financial instrument may be renegotiated or otherwise modified, resulting in changes to its contractual cash flows. Where the extent of changes as a result of the modification or renegotiation is substantial, the existing financial instrument is derecognised and a new instrument (with new terms including a new effective interest rate) recognised. In all other cases, the modified contractual cash flows of the existing instrument are discounted at the original effective interest rate to arrive at a new carrying amount and the resulting modification gain or loss is recognised in the income statement.

#### 2.5.4 Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when there is a legally enforceable right to offset the amounts and an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted by the accounting standards.

#### 2.5.5 Sale and Repurchase Agreements (Including Securities Lending and Borrowing)

Repurchase agreements (repos) are regarded as collateralised borrowing. The securities sold under repos are treated as pledged assets and remain as assets on the balance sheets. The amount borrowed is recorded as a liability. Reverse repos are treated as collateralised lending and the amount of securities purchased is included in placements with central banks, loans to banks and non-bank customers. The difference between the amount received and the amount paid under repos and reverse repos is amortised as interest expense and interest income respectively using the effective interest method.

Securities lending and borrowing transactions are generally secured, with collateral taking the form of securities or cash. The transfer of securities to or from counterparties is not reflected on the balance sheet. Cash collateral paid or received is recorded as an asset or a liability respectively.

## 2. Material Accounting Policy Information (continued)

### 2.6 Non-Derivative Financial Assets

#### Classification and Measurement of Financial Assets

A non-derivative financial asset is initially recognised at fair value and is subsequently measured either at amortised cost using the effective interest method, FVOCI or fair value through profit or loss (FVTPL). Directly attributable transaction costs are included as part of the initial cost for financial instruments that are not subsequently measured at fair value through profit or loss.

#### (a) Business Model Assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy of how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading and whose performance is evaluated or managed on a fair value basis are measured at FVTPL because they are neither within the business model to hold the assets to collect contractual cash flows, nor within the business model to hold the assets both to collect contractual cash flows and to sell.

#### (b) Assessment of Whether Contractual Cash Flows are Solely Payments of Principal and Interest

For the purposes of this assessment, "principal" is defined as the fair value of the financial asset on initial recognition. "Interest" is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

#### 2.6.1 Debt Instruments Measured at Amortised Cost

A debt financial instrument is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is to hold the asset until maturity to collect contractual cash flows; and
- its contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments classified as amortised cost are subject to impairment assessment using the expected credit loss model in accordance with SFRS(I) 9. Interest earned whilst holding the financial assets is included in interest income.

#### 2.6.2 Debt Instruments Measured at FVOCI

A debt financial instrument is measured at FVOCI if it meets both of the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial asset; and
- its contractual terms give rise to cash flows that are solely payments of principal and interest on the principal outstanding.

Debt instruments classified as FVOCI are subject to impairment assessment using the expected credit loss model in accordance with SFRS(I) 9. Interest earned while holding the financial assets is included in interest income.

At the reporting date, the Group recognises unrealised fair value gains and losses on revaluing these assets in OCI and presents the cumulative gains and losses in fair value reserve within equity, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in the income statement. At maturity or upon disposal, the cumulative gain or loss previously recognised in OCI is reclassified from fair value reserve to the income statement.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 2. Material Accounting Policy Information (continued)

### 2.6 Non-Derivative Financial Assets (continued)

#### Classification and Measurement of Financial Assets (continued)

##### 2.6.3 Debt Instruments Measured at FVTPL

Debt instruments that do not meet the requirements to be measured at amortised cost or at FVOCI are measured at FVTPL. At the reporting date, the Group recognises realised and unrealised gains and losses as trading income in the income statement. Interest earned while holding the assets is included in interest income.

##### 2.6.4 Designation at FVTPL

On initial recognition, the Group may irrevocably designate a financial asset at FVTPL notwithstanding that it would otherwise meet the requirements to be measured at amortised cost or at FVOCI, if doing so, it eliminates or significantly reduces an accounting mismatch that would otherwise arise. Upon designation, financial assets are measured at fair value on each reporting date until maturity or derecognition. Realised and unrealised fair value changes are recognised in the income statement.

##### 2.6.5 Equity Instruments

Equity instruments held for trading are classified as FVTPL. An equity investment that is not held for trading is classified as FVTPL unless it is classified as FVOCI based on an irrevocable election on initial recognition.

At the reporting date, realised and unrealised fair value gains or losses on revaluing the equity instruments classified as FVTPL are recognised in the income statement. Realised and unrealised fair value gains or losses on revaluing the equity instruments classified as FVOCI are recognised in OCI and are never reclassified to the income statement.

Dividend earned while holding the equity instruments classified as FVTPL is recognised in the income statement and presented under net trading income. Dividend from equity instruments classified as FVOCI is recognised in the income statement and presented under other income unless the dividend clearly represents a recovery of part of the cost of the investment.

##### 2.6.6 Reclassification

Financial assets are not reclassified subsequent to their initial recognition, except in the period when the Group changes its business model for managing its financial assets.

### 2.7 Derivative Financial Instruments

All derivative financial instruments are recognised initially and subsequently measured at fair value on the balance

sheet as an asset or liability depending on whether it is a receivable or a payable, respectively. The resulting gain or loss is recognised immediately in the income statement unless it qualifies for recognition in other comprehensive income under cash flow or net investment hedge accounting.

Fair values reflect the exit price of the instrument and include adjustments to take into account the credit risk of the Group and the counterparty where appropriate. An embedded derivative is not separated from the host contract that is a financial asset. However, it is separated from the host contract that is a financial liability or a non-financial item and treated as a stand-alone financial derivative if the economic characteristics and risks of the embedded derivatives are not closely related to the economic characteristics and risks of the host contract.

The Group enters into hedging derivative transactions to manage exposures to interest rate, foreign currency and credit risks arising from its core banking activities of lending and accepting deposits. The Group applies fair value, cash flow or net investment hedge accounting when the transactions meet the specified criteria for hedge accounting.

Before applying any hedge accounting, the Group determines whether an economic relationship exists between the hedged item and the hedging instrument by considering qualitative characteristics or quantitative analysis of these items. In its qualitative assessment, the Group considers whether the critical terms of its hedged item and the hedging instrument are closely aligned and evaluates whether the fair values of the hedged item and the hedging instrument respond in an offsetting manner to similar risks. Where economic hedge relationships meet the hedge accounting criteria, the Group establishes its hedge ratio by aligning the principal amount of the hedging instrument to the extent of its hedged item.

In a fair value hedging relationship, the Group mainly uses interest rate swaps, interest rate futures and cross currency swaps to hedge its exposure to changes in the fair value of fixed rate instruments and its foreign currency risk exposure. For qualifying fair value hedges, changes in the fair values of the derivative and of the hedged item relating to the hedged risk are recognised in the income statement. If the hedge relationship is terminated, the fair value adjustment to the hedged item continues to be reported as part of the carrying amount of the asset or liability and is amortised to the income statement as a yield adjustment over the remaining maturity of the asset or liability.

## 2. Material Accounting Policy Information (continued)

### 2.7 Derivative Financial Instruments (continued)

In a cash flow hedging relationship, the Group mainly uses cross currency swaps and interest rate swaps to hedge the variability in the cash flows of variable rate asset or liability resulting from changes in interest rates, either in a one to one hedging relationship or on a portfolio basis. For qualifying cash flow hedges, the effective portion of the change in fair value of the derivative is recognised in the cash flow hedge reserve in equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement. Amounts accumulated in the cash flow hedge reserve remain in equity until the hedged cash flows is recognised in the income statement. When the hedged cash flows are no longer expected to occur, the cumulative gain or loss in the hedge reserve is immediately transferred to the income statement.

“Hedge ineffectiveness” represents the amount by which the changes in the fair value of the hedging instrument differ from changes in the fair value of a benchmark hedging instrument that is a perfect match. The amount of hedge ineffectiveness is recognised immediately in the income statement. The sources of ineffectiveness for both fair value hedges and cash flow hedges include imperfect economic relationship or mis-matching of key terms between the hedging instrument and the hedged item as well as the effect of credit risk existing in the hedging instrument.

The Bank’s functional currency is the Singapore Dollar. The hedged risk in the Group’s net investment hedges is the foreign currency exposure that arises from a net investment in subsidiaries and foreign operations that have a different functional currency. The risk arises from the fluctuation in spot exchange rates between the functional currency of the subsidiaries and the Bank’s functional currency. The Group uses a mixture of derivative financial instruments and liabilities to manage its foreign currency exposure in its net investment hedges. For hedges of net investments in foreign operations which are accounted for in a similar way as cash flow hedges, the gain or loss relating to the effective portion of the hedging instrument is recognised in equity and that relating to the ineffective portion is recognised in the income statement immediately. Gains and losses accumulated in equity are transferred to income statement on disposal of the foreign operations. The main source of ineffectiveness for the Group’s net investment hedge is the use of a hedging instrument denominated in a proxy currency that is not perfectly correlated to the actual currency to which the Group is exposed.

### 2.8 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment includes the purchase price and costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent expenditure relating to property, plant and equipment is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised in the income statement during the financial year in which the expenditure is incurred.

The residual values, useful lives and depreciation methods of property, plant and equipment are reviewed and adjusted as appropriate, at each reporting date, to ensure that they reflect the expected economic benefits derived from these assets.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Furniture and fixtures	–	5 to 10 years
Office equipment	–	5 to 10 years
Computers	–	3 to 10 years
Renovation	–	10 years or remaining lease term, whichever is shorter
Motor vehicles	–	5 years

Freehold land and leasehold land with leases of more than 100 years to expiry are not depreciated. Buildings and other leasehold land are depreciated over 50 years or the period of the lease, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is expected from its use. Any gain or loss arising on derecognition of the asset is included in the income statement in the year the asset is derecognised.

### 2.9 Investment Property

Investment property is property held either for rental income or for capital appreciation or for both. Investment properties, other than those held under the Group’s life insurance funds, are stated at cost less accumulated depreciation and impairment losses. Freehold land and leasehold land with leases of more than 100 years to expiry are not depreciated. Buildings and other leasehold land are depreciated over 50 years or the period of the lease, whichever is shorter.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 2. Material Accounting Policy Information (continued)

### 2.9 Investment Property (continued)

Investment property held under the Group's life insurance funds is stated at fair value at the reporting date and collectively form an asset class which is an integral part of the overall investment strategy for the asset-liability management of the life insurance business. The fair value of the investment property is determined based on objective valuations undertaken by independent valuers at the reporting date. Changes in the carrying amount resulting from revaluation are recognised in the consolidated income statement.

### 2.10 Goodwill and Other Intangible Assets

#### 2.10.1 Goodwill

Goodwill on acquisition of subsidiaries represents the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previously held equity interest over the fair value of the identifiable net assets acquired.

Goodwill is stated at cost less impairment loss. Impairment test is carried out annually, or when there is indication that the goodwill may be impaired.

Gains or losses on disposal of subsidiaries and associates include the carrying amount of goodwill relating to the entity sold.

#### 2.10.2 Intangible Assets

Intangible assets other than goodwill are separately identifiable intangible items arising from acquisitions and are stated at cost less accumulated amortisation and impairment losses. Intangible assets with finite useful lives are amortised over their estimated useful lives. The estimated useful lives range from 6 to 20 years. The useful life of an intangible asset is reviewed at least at each financial year end.

### 2.11 Impairment of Assets

#### (I) Financial Assets

Impairment allowances for financial assets are assessed using a forward-looking expected credit loss (ECL) model in accordance with the requirements of SFRS(I) 9.

#### 2.11.1 Scope

Under SFRS(I) 9, the ECL model is applied to debt financial assets measured at amortised cost or FVOCI and off-balance sheet loan commitments and financial guarantees.

#### 2.11.2 Expected Credit Loss Impairment Model

Under SFRS(I) 9, credit loss allowances are measured on each reporting date according to a three-stage expected credit loss impairment model:

- Stage 1 – On initial recognition and at a subsequent reporting date, where there is no significant increase in a financial asset or off-balance sheet exposure's credit risk since initial recognition, the expected credit loss will be that resulting from default events that are possible over the next 12 months, estimated on a portfolio basis.
- Stage 2 – Where there is a significant increase in credit risk since initial recognition, the expected credit loss will be that resulting from default events that are possible over the expected life of the asset, estimated on a portfolio basis.
- Stage 3 – When a financial asset exhibits objective evidence of impairment and is considered to be credit-impaired, the credit loss allowance will be the full lifetime expected credit loss, estimated on a case-by-case basis.

#### 2.11.3 Measurement

ECLs are a probability-weighted estimate of credit losses. They are measured based on the present value of the cash shortfalls as elaborated below:

- (a) Financial assets that are not credit-impaired (Stage 1 and Stage 2) at the reporting date: The contractual cash flows due to the Group less the cash flows that the Group expects to receive;
- (b) Financial assets that are credit-impaired (Stage 3) at the reporting date: The gross carrying amount less the cash flows that the Group expects to receive;
- (c) Undrawn loan commitments: The contractual cash flows due to the Group if the commitment is drawn down less the cash flows that the Group expects to receive; and
- (d) Financial guarantee contracts: The expected cash outflows under the guarantee less the cash flows that the Group expects to recover.

The key inputs used in the measurement of ECL are:

- Probability of default (PD) – This is an estimate (as a percentage) of the likelihood of default over 12 months or the exposure's expected life time.
- Loss given default (LGD) - This is an estimate (as a percentage) of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, including from any collateral.
- Exposure at default (EAD) - This is an estimate (as an amount) of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest as well as expected drawdowns on committed facilities.

## 2. Material Accounting Policy Information (continued)

### 2.11 Impairment of Assets (continued)

#### (I) Financial Assets (continued)

##### 2.11.3 Measurement (continued)

For Stage 1 exposures, ECL is calculated by multiplying the 12-month PD by LGD and EAD. For Stage 2 and Stage 3 exposures, ECL is calculated by multiplying lifetime PD by LGD and EAD.

Loans to customers that are collectively assessed are grouped on the basis of shared credit risk characteristics such as loan type, industry, geographical location of the borrower, collateral type and other relevant factors.

All key inputs (PD, LGD and EAD) used to estimate Stage 1 and Stage 2 credit loss allowances are modelled based on four macroeconomic scenarios (or changes in macroeconomic variables) that are most closely correlated with credit losses in the relevant portfolio.

The four macroeconomic scenarios represent a most likely "Base" outcome and three other less likely scenarios, comprising of one "Upside" and two "Downside" scenarios. These scenarios are probability-weighted and underlying key macroeconomic assumptions are based on independent external and in-house views. The assumptions are subject to regular management reviews to reflect current economic situations.

Each macroeconomic scenario used in the expected credit loss calculation includes a projection of all relevant macroeconomic variables used in the models for the lifetime period, reverting to long-run averages generally after 3 to 5 year periods. Depending on their usage in the models, macroeconomic variables are projected at a country or more granular level which differ by portfolio. The primary macroeconomic variables adopted are Gross Domestic Product, Unemployment rate, Property Price Index and Interest rate.

The definition of default used in the measurement of expected credit losses is consistent with the definition of default used for credit risk management purposes. The default definition has been applied consistently to model the PD, LGD and EAD throughout Group's expected credit loss calculations.

The Group considers a financial asset to be in default by assessing both quantitative and qualitative criteria such as days past due and the terms of financial covenants.

A default occurs when the borrower or bond issuer is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held) or when the financial asset is more than 90 days past due.

A financial asset is considered to be no longer in default when there is an established trend of credit improvement, supported by an assessment of the borrower's repayment capability, cash flows and financial position.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Financial assets are written off against their related impairment allowances when all feasible recovery actions have been exhausted or when the recovery prospects are considered remote.

##### 2.11.4 Movement between Stages

Movements between Stage 1 and Stage 2 are based on whether a financial asset or exposure's credit risk as at the reporting date has increased significantly since its initial recognition.

The Group considers both qualitative and quantitative parameters in the assessment of whether there is a significant increase in credit risk since initial recognition. These include the following:

- (a) The Group has established thresholds for significant increases in credit risk based on both a relative and absolute change in lifetime PD relative to initial recognition.
- (b) The Group conducts qualitative assessment to ascertain if there has been significant increase in credit risk.
- (c) The Group uses days past due as a further indication of significant increase in credit risk.

Movements between Stage 2 and Stage 3 are based on whether financial assets are credit-impaired as at the reporting date. The determination of whether a financial asset is credit-impaired under SFRS(I) 9 will be based on objective evidence of impairment.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 2. Material Accounting Policy Information (continued)

### 2.11 Impairment of Assets (continued)

#### (I) Financial Assets (continued)

##### 2.11.4 Movement between Stages (continued)

The assessments for a significant increase in credit risk since initial recognition and credit-impairment are performed independently as at each reporting period. Assets can move in both directions through the stages of the impairment model. After a financial asset has moved to Stage 2, if it is no longer considered that credit risk has significantly increased relative to initial recognition in a subsequent reporting period, it will move back to Stage 1. A modification of the terms of a financial asset that does not result in derecognition will result in the financial asset being transferred out of Stage 3 if the indicators of it being identified as credit-impaired is no longer met and that the evidence for its transfer out of Stage 3 solely relates to events such as up-to-date and timely payment occurring in the subsequent periods.

If a modified financial asset results in derecognition, the new financial asset will be recognised under Stage 1, unless it is assessed to be credit-impaired at the time of the modification.

##### 2.11.5 Regulatory Requirement

Under MAS 612, the Group is required to maintain a minimum regulatory loss allowance (MRLA) of 1% of the gross carrying amount of the specified credit exposures, net of collateral. Where the accounting loss allowance of selected non-credit-impaired exposures computed under SFRS(I) 9 is less than the MRLA, the Group must maintain the difference in a non-distributable regulatory loss allowance reserve (RLAR) account through the appropriation of revenue reserves. Where the aggregated accounting loss allowance and RLAR exceeds the MRLA, the Group may transfer the excess amount in the RLAR to revenue reserves.

#### (II) Other Assets

##### 2.11.6 Goodwill

For the purpose of impairment testing, goodwill is allocated to each of the Group's Cash Generating Units (CGU) expected to benefit from synergies of the business combination. Goodwill is allocated to the Group's CGUs (Note 36) at a level at or below the business segments identified for business segment reporting (Note 37).

Impairment loss on goodwill cannot be reversed in subsequent periods.

### 2.11.7 Investments in Subsidiaries and Associates Property, Plant and Equipment Investment Property Intangible Assets

Investments in subsidiaries and associates, property, plant and equipment, investment property and intangible assets, are reviewed for impairment on the reporting date or whenever there is any indication that the carrying amount of an asset may not be recoverable. If such an indication exists, the carrying amount of the asset is written down to its recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use).

The impairment loss is recognised in the income statement, and is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) if no impairment loss had been recognised for the asset in prior years.

### 2.12 Financial Liabilities

A non-derivative financial liability is initially recognised at fair value less transaction costs and is subsequently measured at amortised cost using the effective interest method except where it is designated as FVTPL.

For financial liabilities designated at fair value, gains and losses arising from changes in fair value are recognised in the net trading income line in the income statement except for changes in fair value attributable to the Group's own credit risk where it is presented directly within other comprehensive income. Amounts recorded in OCI related to this credit risk are not subject to recycling to the income statement, but are transferred to unappropriated profit when realised. Financial liabilities are held at fair value through profit or loss when:

- (a) they are acquired or incurred for the purpose of selling or repurchasing in the near term;
- (b) the fair value option designation eliminates or significantly reduces accounting mismatch that would otherwise arise; or
- (c) the financial liability contains an embedded derivative that would otherwise need to be separately recorded.

## 2. Material Accounting Policy Information (continued)

### 2.13 Insurance and Reinsurance Contracts

#### 2.13.1 Definition and Classification

Contracts under which GEH Group accepts significant insurance risk are classified as insurance contracts. Contracts held by GEH Group under which it transfers significant insurance risk related to underlying insurance contracts are classified as reinsurance contracts. Insurance and reinsurance contracts also expose GEH Group to financial risk. References to insurance contracts include reinsurance contracts issued by GEH Group.

Insurance contracts may be issued and reinsurance contracts may be initiated by GEH Group, or they may be acquired in a business combination or in a transfer of contracts that do not form a business. All references in these accounting policies to 'insurance contracts' and 'reinsurance contracts' include contracts issued, initiated or acquired by GEH Group, unless otherwise stated.

Contracts that have a legal form of insurance but do not transfer significant insurance risk and expose GEH Group to financial risk are classified as investment contracts, and they follow financial instruments accounting under SFRS(I) 9. GEH Group does not have any contracts that fall under this category.

Contracts are subject to different requirements depending on whether they are classified as direct participating contracts or contracts without direct participation features. Insurance contracts with direct participation features are insurance contracts that are substantially investment-related service contracts under which GEH Group promises an investment return based on underlying items; they are contracts for which, at inception:

- the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
- GEH Group expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
- GEH Group expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

Direct participating contracts issued by GEH Group are contracts with direct participation features where GEH Group holds the pool of underlying assets and accounts for these

group of contracts under the Variable Fee Approach (VFA). The VFA modifies the accounting model in SFRS(I) 17 to reflect that the consideration that GEH Group receives for the contracts is a variable fee.

All other insurance contracts and all reinsurance contracts are classified as contracts without direct participation features. Some of these contracts are measured under the Premium Allocation Approach (PAA) model (see Note 2.13.7). 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 insurance contracts which have a coverage period of one year or less, or where the PAA provides a measurement that is not materially different from that under the General Measurement Model (GMM).

#### 2.13.2 Separating Components from Insurance and Reinsurance Contracts

GEH Group assesses its insurance and reinsurance contracts to determine whether they contain components which must be accounted for under another SFRS(I) rather than SFRS(I) 17 (distinct non-insurance components). After separating any distinct components, GEH Group applies SFRS(I) 17 to all remaining components of the (host) insurance contract. Currently, GEH Group's contracts do not include distinct components that require separation.

Some life contracts issued by GEH Group include a surrender option under which the surrender value is paid to the policyholder on maturity or earlier lapse of the contract. These surrender options have been assessed to meet the definition of a non-distinct investment component in SFRS(I) 17. SFRS(I) 17 defines investment components as the amounts that an insurance contract requires an insurer to repay to a policyholder in all circumstances, regardless of whether an insured event has occurred. Investment components which are highly interrelated with the insurance contract of which they form a part are considered non-distinct and are not separately accounted for. However, receipts and payments of the investment components are excluded from insurance revenue and insurance service expenses. The surrender options are considered non-distinct investment components as GEH Group is unable to measure the value of the surrender option component separately from the life insurance portion of the contract.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 2. Material Accounting Policy Information (continued)

### 2.13 Insurance and Reinsurance Contracts (continued)

#### 2.13.2 Separating Components from Insurance and Reinsurance Contracts (continued)

For premium refund or experience refund components which are not subject to any conditions in the contracts, these have been assessed to be highly interrelated with the insurance component of the reinsurance contracts and are, therefore, non-distinct investment components which are not accounted for separately. However, receipts and payments of these investment components are recognised outside of the income statement.

#### 2.13.3 Level of Aggregation

##### 2.13.3.1 Insurance Contracts

Insurance contracts are aggregated into groups for measurement purposes. Groups of insurance contracts are determined by identifying portfolios of insurance contracts, each comprising contracts subject to similar risks and managed together, and dividing each portfolio into quarterly cohorts (by quarter of issuance) for life insurance or into annual cohorts (by year of issuance) for non-life insurance, into three groups based on the expected profitability of the contracts:

- (i) contracts that are onerous at initial recognition;
- (ii) contracts that at initial recognition have no significant possibility of becoming onerous subsequently; or
- (iii) remaining group of contracts.

These groups represent the level of aggregation at which insurance contracts are initially recognised and measured. The profitability groupings are not reassessed under subsequent remeasurement.

Level of aggregation is also affected by law or regulation which specifically constrains GEH Group's practical ability to set a different price or level of benefits for policyholders with different characteristics.

GEH Group broadly groups its insurance contracts by how the contracts are managed, product type, currency, measurement model and insurance risks. For life insurance contracts, sets of contracts usually correspond to pricing risk groups that GEH Group determines to have similar insurance risk and that are priced together by assessing the profitability of a best estimate pool of contracts on the same basis. GEH Group determines the profitability of contracts within portfolios and the likelihood of changes in insurance, financial and other exposures resulting in these contracts becoming more onerous at the level of these pricing groups, with no information available at a more granular level. This level of granularity determines sets of contracts.

For non-life insurance contracts, sets of contracts usually correspond to the risk class or product type.

Non-life insurance contracts are measured under the PAA model (Note 2.13.7). An assessment is performed to distinguish onerous contracts from non-onerous ones. For non-onerous contracts, GEH Group assesses the likelihood of changes in the applicable facts and circumstances in the subsequent periods in determining whether contracts have a significant possibility of becoming onerous. This assessment is performed at the product type level.

##### 2.13.3.2 Reinsurance Contracts

Portfolios of reinsurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. Applying the grouping requirements to reinsurance contracts held, GEH Group aggregates reinsurance contracts into quarterly cohorts (by quarter of issuance) for life reinsurance treaties or into annual cohorts (by year of issuance) for non-life reinsurance contracts into groups of:

- (i) contracts for which there is a net gain at initial recognition, if any;
- (ii) contracts for which, at initial recognition, there is no significant possibility of a net gain arising subsequently; and
- (iii) remaining contracts in the portfolio, if any.

Reinsurance contracts held are assessed for aggregation requirements on an individual reinsurance treaty basis.

##### 2.13.4 Recognition

A group of insurance contracts issued by GEH Group is recognised from the earliest of:

- the beginning of its coverage period (i.e. the period during which GEH Group provides services in respect of any premiums within the contract boundary (Note 2.13.5));
- when the first payment from the policyholder becomes due or, if there is no contractual due date, when it is received from the policyholder; and
- when facts and circumstances indicate that the contract is onerous.

GEH Group recognises a group of reinsurance contracts held from the earliest of the following:

- the beginning of the coverage period of the group of reinsurance contracts held. However, GEH Group delays the recognition of a group of reinsurance contracts held that provide proportionate coverage until the date when any underlying insurance contract is initially recognised, if that date is later than the beginning of the coverage period of the group of reinsurance contracts held; and

## 2. Material Accounting Policy Information (continued)

### 2.13.4 Recognition (continued)

- the date GEH Group recognises an onerous group of underlying insurance contracts if GEH Group entered into the related reinsurance contract in the group of reinsurance contracts held at or before that date.

Only contracts that individually meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they are added to the groups in the reporting period in which they meet the recognition criteria, or, if the contract does not qualify for inclusion in an existing group, it forms a new group to which future contracts are added. Composition of the groups is not reassessed in subsequent periods.

### 2.13.5 Contract Boundary

GEH Group includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within an insurance contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which GEH Group can compel the policyholder to pay the premiums, or in which GEH Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation to provide insurance contract services ends when:

- GEH Group has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of benefits that fully reflects those risks; or
- both of the following criteria are satisfied:
  - o GEH Group has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio; and
  - o the pricing of the premiums up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

Fulfilment cash flows outside the insurance contract boundary are not recognised. Such amounts relate to future insurance contracts.

For life insurance contracts with renewal periods, GEH Group assesses whether premiums and related cash flows that arise from the renewed contract are within the contract boundary. The pricing of the renewals is established by GEH Group by considering all the risks covered for the policyholder by

GEH Group, that GEH Group would consider when underwriting equivalent contracts on the renewal dates for the remaining service. Therefore, the cash flows related to renewals of insurance contracts will not be included in the contract boundary.

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of GEH Group that exist during the reporting period in which GEH Group is compelled to pay amounts to the reinsurer or in which GEH Group has a substantive right to receive insurance contract services from the reinsurer. A substantive right to receive services from the reinsurer ends either when the reinsurer can reprice the contract to fully reflect the reinsured risk, or when the reinsurer has a substantive right to terminate coverage.

GEH Group reassesses contract boundary of each group at the end of each reporting period.

### 2.13.6 Measurement

#### 2.13.6.1 Measurement – Contracts Not Measured Under the PAA

On initial recognition, GEH Group measures a group of insurance contracts as the total of (a) the fulfilment cash flows, adjusted to reflect the time value of money and the associated financial risks, and a risk adjustment for non-financial risk; and (b) the Contractual Service Margin (CSM) (Note 2.13.6.3). The fulfilment cash flows of a group of insurance contracts do not incorporate GEH Group's non-performance risk.

The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows, and it reflects the compensation that GEH Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as GEH Group fulfils insurance contracts.

For reinsurance contracts held, the risk adjustment for non-financial risk represents the amount of risk being transferred by GEH Group to the reinsurer.

Methods and assumptions used to determine the risk adjustment for non-financial risk are discussed in Note 2.21.3.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 2. Material Accounting Policy Information (continued)

### 2.13 Insurance and Reinsurance Contracts (continued)

#### 2.13.6 Measurement (continued)

##### 2.13.6.1 Measurement – Contracts Not Measured Under the PAA (continued)

On initial recognition of a group of insurance contracts, if the total of (a) the fulfilment cash flows, (b) any cash flows arising at that date and (c) any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group is a net inflow, then the group is not onerous. In this case, the CSM is measured as the equal and opposite amount of the net inflow, which results in no income or expenses arising on initial recognition.

If the total is a net outflow, then the group is onerous. A loss from onerous insurance contracts is recognised in the income statement immediately, with no CSM recognised on the balance sheet on initial recognition, and a loss component is established in the amount of loss recognised (refer to the Onerous contracts – Loss component section in Note 2.13.6.4 below).

##### 2.13.6.2 Fulfilment Cash Flows (FCF)

The FCF are the current estimates of the future cash flows within the contract boundary of a group of contracts that GEH Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

The estimates of future cash flows:

- are based on a probability-weighted mean of the full range of possible outcomes;
- are determined from the perspective of GEH Group, provided that the estimates are consistent with observable market prices for market variables; and
- reflect conditions existing at the measurement date.

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgment and estimation. Refer to Note 2.21.3.

##### 2.13.6.3 Contractual Service Margin

The CSM is a component of the carrying amount of the asset or liability for a group of insurance contracts issued representing the unearned profit that GEH Group will recognise as it provides insurance contract services in the future.

At initial recognition, the CSM is an amount that results in no income or expenses (unless a group of contracts is onerous or insurance revenue and insurance service expenses are recognised as in (d) below) arising from:

- the initial recognition of the FCF;
- cash flows arising from the contracts in the group at that date;
- the derecognition of any insurance acquisition cash flows asset; and
- the derecognition of any other pre-recognition cash flows. Insurance revenue and insurance service expenses are recognised immediately for any such assets derecognised.

For groups of reinsurance contracts held, any net gain or loss at initial recognition is recognised as the CSM unless the net cost of purchasing reinsurance relates to past events, in which case GEH Group recognises the net cost immediately in the income statement. For reinsurance contracts held, the CSM represents a deferred gain or loss that GEH Group will recognise as a reinsurance expense as it receives insurance contract services from the reinsurer in the future and is calculated as the sum of:

- the initial recognition of the FCF;
- cash flows arising from the contracts in the group at that date;
- the amount derecognised at the date of initial recognition of any asset or liability previously recognised for cash flows related to the group of reinsurance contracts held (other pre-recognition cash flows); and
- any income recognised in the income statement when the entity recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group.

##### 2.13.6.4 Subsequent Measurement – Contracts Not Measured Under the PAA

Subsequently, the carrying amount of a group of insurance contracts at each reporting date is the sum of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC). The LRC comprises (a) the fulfilment cash flows that relate to services that will be provided under the contracts in future periods and (b) any remaining CSM at that date. The LIC includes the fulfilment cash flows for incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported.

## 2. Material Accounting Policy Information (continued)

### 2.13 Insurance and Reinsurance Contracts (continued)

#### 2.13.6 Measurement (continued)

##### 2.13.6.4 Subsequent Measurement – Contracts Not Measured Under the PAA (continued)

- The FCF of groups of contracts are measured at the reporting date using current estimates of future cash flows, current discount rates and current estimates of the risk adjustment for non-financial risk. Changes in FCF are recognised as follows:

<b>Changes relating to future service</b>	Adjusted against CSM (or recognised in the insurance service result in the income statement if the group is onerous).
<b>Changes relating to current or past services</b>	Recognised in the insurance service result in the income statement.
<b>Effects of the time value of money, financial risk and changes therein on estimated cash flows</b>	Recognised as insurance finance income or expenses in the income statement, except for certain portfolios measured using the GMM where the OCI option is applied.

- The CSM is adjusted subsequently only for changes in FCF that relate to future services and other specified amounts and is recognised in the income statement as services are provided. The CSM at each reporting date represents the profit in the group of contracts that has not yet been recognised in the income statement because it relates to future services.

GEH Group reports its financial results on a quarterly basis. The GEH Group has elected to treat every quarter as a discrete interim reporting period, and estimates made by GEH Group in previous interim financial results are not changed when applying SFRS(I) 17 in subsequent interim periods or in the annual financial statements.

#### *Onerous contracts – Loss component*

When adjustments to the CSM exceed the amount of the CSM, the group of contracts becomes onerous and GEH Group recognises the excess in insurance service expenses, and it records the excess as a loss component of the LRC.

When a loss component exists, GEH Group allocates the following between the loss component and the remaining component of the LRC for the respective group of contracts,

based on the ratio of the loss component to the FCF relating to the expected future cash outflows:

- expected incurred claims and other directly attributable expenses for the period;
- changes in the risk adjustment for non-financial risk for the risk expired; and
- finance income/(expenses) from insurance contracts issued.

The amounts of the loss component allocation in (a) and (b) above reduce the respective components of insurance revenue and are reflected in insurance service expenses.

Decreases in the FCF in subsequent periods reduce the remaining loss component and reinstate the CSM after the loss component is reduced to zero. Increases in the FCF in subsequent periods increase the loss component.

#### 2.13.6.5 Reinsurance Contracts

GEH Group applies the same accounting policies to measure a group of reinsurance contracts, with the following modifications.

The carrying amount of a group of reinsurance contracts at each reporting date is the sum of the asset for remaining coverage (ARC) and the asset for incurred claims (AIC). The ARC comprises (a) the FCF that relate to services that will be received under the contracts in future periods and (b) any remaining CSM at that date.

GEH Group measures the estimates of the present value of future cash flows using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts, with an adjustment for any risk of non-performance by the reinsurer. The effect of the non-performance risk of the reinsurer is assessed at each reporting date and the effect of changes in the non-performance risk is recognised in the income statement.

The risk adjustment for non-financial risk represents the amount of risk being transferred by GEH Group to the reinsurer.

For groups of reinsurance contracts held, any net gain or loss at initial recognition is recognised as the CSM unless the net cost of purchasing reinsurance relates to past events, in which case GEH Group recognises the net cost immediately in the income statement. For reinsurance contracts held, the CSM represents a deferred gain or loss that GEH Group recognises as a reinsurance income or expenses as it receives insurance contract services from the reinsurer in the future.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 2. Material Accounting Policy Information (continued)

### 2.13 Insurance and Reinsurance Contracts (continued)

#### 2.13.6 Measurement (continued)

##### 2.13.6.5 Reinsurance Contracts (continued)

A loss-recovery component is established or adjusted within the remaining coverage for reinsurance contracts held for the amount of income recognised above. This amount is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that GEH Group expects to recover from the reinsurance contracts held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

##### 2.13.6.6 Insurance Acquisition Cash Flows

Insurance acquisition cash flows arise from the costs of selling, underwriting and starting a group of insurance contracts that are directly attributable to the portfolio of insurance contracts to which the group belongs. If insurance acquisition cash flows are directly attributable to a group of contracts, then they are allocated to that group.

Insurance acquisition cash flows are allocated to groups of insurance contracts on a systematic and rational basis. Insurance acquisition cash flows that are directly attributable to a group of insurance contracts are allocated to that group; and to groups that will include insurance contracts that are expected to arise from renewals of the insurance contracts in that group.

Insurance acquisition cash flows not directly attributable to a group of contracts but directly attributable to a portfolio of contracts are allocated to groups of contracts in the portfolio or expected to be in the portfolio.

The insurance acquisition cash flows that arise before the recognition of the related insurance contracts are recognised as separate assets and tested for recoverability, whereas other insurance acquisition cash flows are included in the estimates of the present value of future cash flows as part of the measurement of the related insurance contracts.

GEH Group assesses at each reporting date whether facts and circumstances indicate that an asset for insurance acquisition cash flows may be impaired, then GEH Group:

- a) recognises an impairment loss in the income statement so that the carrying amount of the asset does not exceed the expected net cash inflow for the related group; and

- b) if the asset relates to future renewals, recognises an impairment loss in the income statement to the extent that it expects those insurance acquisition cash flows to exceed the net cash inflow for the expected renewals and this excess has not already been recognised as an impairment loss under (a).

GEH Group reverses any impairment losses in the income statement and increases the carrying amount of the asset to the extent that the impairment conditions no longer exist or have improved.

##### 2.13.7 Measurement – Contracts Measured Under the PAA

For insurance contracts issued, on initial recognition, GEH Group measures the LRC at the amount of premiums received, less any acquisition cash flows paid and any amounts arising from the derecognition of the insurance acquisition cash flows asset and the derecognition of any other relevant pre-recognition cash flows. The LRC is discounted to reflect the time value of money and the effect of financial risk.

GEH Group estimates the LIC as the fulfilment cash flows related to incurred claims. The FCF incorporate, in an unbiased way, all reasonable and supportable information available without undue cost or effort about the amount, timing and uncertainty of those future cash flows, they reflect current estimates from the perspective of GEH Group, and include an explicit adjustment for non-financial risk (the risk adjustment). GEH Group adjusts the future cash flows for the time value of money and the effect of financial risk for the measurement of LIC, unless when they are expected to be paid within one year or less from the date of which the claims are incurred.

Where, during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, GEH Group recognises a loss in the income statement for the net outflow, resulting in the carrying amount of the liability for the group being equal to the FCF. A loss component is established by GEH Group for the LRC for such onerous group depicting the losses recognised.

For reinsurance contracts held, on initial recognition, GEH Group measures the remaining coverage at the amount of ceding premiums paid net of commission, plus broker fees paid to a party other than the reinsurer.

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of the LRC and the LIC, comprising the FCF related to past service allocated to the group at the reporting date.

## 2. Material Accounting Policy Information (continued)

### 2.13 Insurance and Reinsurance Contracts (continued)

#### 2.13.7 Measurement – Contracts Measured Under the PAA (continued)

The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of the ARC and the AIC, comprising the FCF related to past service allocated to the group at the reporting date.

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:

- a) increased for premiums received in the period, excluding amounts that relate to premium receivables included in the LIC;
- b) decreased for insurance acquisition cash flows paid in the period;
- c) decreased for the amounts of expected premium receipts recognised as insurance revenue for the services provided in the period;
- d) increased for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses; and
- e) increased for net insurance finance expenses recognised during the period.

For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is:

- a) increased for ceding premiums, net of commission, paid in the period;
- b) increased for broker fees paid in the period;
- c) decreased for the expected amounts of ceding premiums and broker fees recognised as reinsurance expenses for the services received in the period; and
- d) increased for net reinsurance finance income recognised during the period.

#### 2.13.8 Derecognition and Contract Modification

An insurance contract is derecognised when it is:

- extinguished (that is, when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- the contract is modified and certain additional criteria discussed below are met.

When an insurance contract is modified by GEH Group as a result of an agreement with the counterparties or due to a change in regulations, GEH Group treats changes in cash flows caused by the modification as changes in estimates of the FCF, unless the conditions for the derecognition of the original contract are met. GEH Group derecognises the original contract and recognises the modified contract as a new contract if any of the following conditions are present:

- a) if the modified terms had been included at contract inception and GEH Group would have concluded that the modified contract:
  - i. is not within the scope of SFRS(I) 17;
  - ii. results in different separable components;
  - iii. results in a different contract boundary; or
  - iv. belongs to a different group of contracts;
- b) the original contract represents an insurance contract with direct participation features, but the modified contract no longer meets that definition, or vice versa; or
- c) the original contract was accounted for under the PAA, but the modification means that the contract no longer meets the eligibility criteria for that approach.

When a new contract is required to be recognised as a result of modification and it is within the scope of SFRS(I) 17, the new contract is recognised from the date of modification and is assessed for, amongst other things, contract classification, including the VFA eligibility and component separation requirements (see Note 2.13.2) and contract aggregation requirements (see Note 2.13.3). When an insurance contract not accounted for under the PAA is derecognised from within a group of insurance contracts, GEH Group:

- a) adjusts the FCF to eliminate the present value of future cash flows and risk adjustment for non-financial risk relating to the rights and obligations removed from the group;
- b) adjusts the CSM (unless the decrease in the FCF is allocated to the loss component of the LRC of the group) in the following manner, depending on the reason for the derecognition:
  - i. if the contract is extinguished, in the same amount as the adjustment to the FCF relating to future service;
  - ii. if the contract is transferred to a third party, in the amount of the FCF adjustment in (a) less the premium charged by the third party; or
  - iii. if the original contract is modified resulting in its derecognition, in the amount of the FCF adjustment in (a) adjusted for the premium that GEH Group would have charged if it had entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification; when recognising the new contract in this case, GEH Group assumes such a hypothetical premium as actually received; and
- c) adjusts the number of coverage units for the expected remaining insurance contract services, to reflect the number of coverage units removed.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 2. Material Accounting Policy Information (continued)

### 2.13 Insurance and Reinsurance Contracts (continued)

#### 2.13.8 Derecognition and Contract Modification (continued)

When an insurance contract accounted for under the PAA is derecognised, adjustments to remove related rights and obligations to account for the effect of the derecognition result in the following amounts being charged immediately to the income statement:

- a) if the contract is extinguished, any net difference between the derecognised part of the LRC of the original contract and any other cash flows arising from extinguishment;
- b) if the contract is transferred to the third party, any net difference between the derecognised part of the LRC of the original contract and the premium charged by the third party; or
- c) if the original contract is modified resulting in its derecognition, any net difference between the derecognised part of the LRC and the hypothetical premium that the entity would have charged if it had entered into a contract with equivalent terms as the new contract at the date of the contract modification, less any additional premium charged for the modification.

#### 2.13.9 Insurance Service Result from Insurance Contracts Issued

##### Insurance Revenue

As GEH Group provides insurance contract services under the group of insurance contracts, it reduces the LRC and recognises insurance revenue. The amount of insurance revenue recognised in the reporting period depicts the transfer of promised services at an amount that reflects the portion of consideration that GEH Group expects to be entitled to in exchange for those services.

For contracts not measured under the PAA, the insurance revenue comprises the following items.

- Amounts relating to the changes in the LRC:
  - a) expected claims and other directly attributable expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding:
    - amounts allocated to the loss component;
    - repayments of investment components and policyholder rights to withdraw an amount;
    - amounts of transaction-based taxes collected in a fiduciary capacity;
    - insurance acquisition expenses; and
    - amounts related to the risk adjustment for non-financial risk (see (b));

- b) changes in the risk adjustment for non-financial risk, excluding:
    - changes included in insurance finance income/ (expenses);
    - changes that relate to future coverage (which adjust the CSM); and
    - amounts allocated to the loss component;
  - c) amounts of the CSM recognised for the services provided in the period;
  - d) experience adjustments – arising from premiums received in the period other than those that relate to future service; and
  - e) other amounts, including any other pre-recognition cash flows assets derecognised at the date of initial recognition.
- Insurance acquisition cash flows recovery is determined by allocating the portion of premiums related to the recovery of those cash flows in a systematic way on the basis of the passage of time over the expected coverage of a group of contracts.

For groups of insurance contracts measured under the PAA, GEH Group recognises insurance revenue based on the passage of time over the coverage period of a group of contracts.

##### Insurance Service Expenses

Insurance service expenses include the following:

- incurred claims and benefits, excluding investment components reduced by loss component allocations;
- other incurred directly attributable expenses, including amounts of any other pre-recognition cash flows assets (other than insurance acquisition cash flows) derecognised at the date of initial recognition;
- insurance acquisition cash flows amortisation;
- changes that relate to past service – changes in the FCF relating to the LIC;
- changes that relate to future service – changes in the FCF that results in onerous contract losses or reversals of those losses; and
- insurance acquisition cash flows assets impairment.

For contracts not measured under the PAA, amortisation of insurance acquisition cash flows is reflected in insurance service expenses in the same amount as insurance acquisition cash flows recovery reflected within insurance revenue, as described above.

For contracts measured under the PAA, amortisation of insurance acquisition cash flows is reflected in insurance service expenses based on the passage of time.

Other expenses not meeting the above categories are included in other operating expenses in the consolidated income statement.

## 2. Material Accounting Policy Information (continued)

### 2.13 Insurance and Reinsurance Contracts (continued)

#### 2.13.9 Insurance Service Result from Insurance Contracts Issued (continued)

##### Net Income/(Expenses) from Reinsurance Contracts Held

GEH Group presents financial performance of groups of reinsurance contracts held on a net basis in net income/(expenses) from reinsurance contracts held, comprising the following amounts:

- a) reinsurance expenses;
- b) for groups of reinsurance contracts measured under the PAA, broker fees are included within reinsurance expenses;
- c) incurred claims recovery, excluding investment components reduced by loss-recovery component allocations;
- d) other incurred directly attributable expenses;
- e) changes that relate to past service – changes in the FCF relating to incurred claims recovery; and
- f) amounts relating to accounting for onerous groups of underlying insurance contracts issued:
  - i. income on initial recognition of onerous underlying contracts;
  - ii. reinsurance contracts held under the GMM: reversals of a loss-recovery component other than changes in the FCF of reinsurance contracts held; and
  - iii. reinsurance contracts held under the GMM: changes in the FCF of reinsurance contracts held from onerous underlying contracts.

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance expenses recognised in the reporting period depicts the transfer of received insurance contract services at an amount that reflects the portion of ceding premiums that GEH Group expects to pay in exchange for those services. Additionally, for reinsurance contracts held measured under the PAA, broker fees are included in reinsurance expenses.

For contracts not measured under the PAA, reinsurance expenses comprise the following amounts relating to changes in the remaining coverage:

- a) claims and other directly attributable expenses recovery in the period, measured at the amounts expected to be incurred at the beginning of the period, excluding:
  - amounts allocated to the loss-recovery component;
  - repayments of investment components; and
  - amounts related to the risk adjustment for non-financial risk (see (b));

- b) changes in the risk adjustment for non-financial risk, excluding:
  - changes included in finance income/(expenses) from reinsurance contracts held;
  - changes that relate to future coverage (which adjust the CSM); and
  - amounts allocated to the loss-recovery component;
- c) amounts of the CSM recognised for the services received in the period; and
- d) experience adjustments – arising from premiums paid in the period other than those that relate to future service.

For groups of reinsurance contracts held measured under the PAA, GEH Group recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts.

Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses. Ceding commissions that are contingent on claims of the underlying contracts issued reduce incurred claims recovery.

##### Insurance Finance Income or Expenses

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

- a) the effect of the time value of money and changes in the time value of money; and
- b) the effect of financial risk and changes in financial risk.

For contracts measured under the GMM, the main amounts within insurance finance income or expenses are:

- a) interest accreted on the FCF and the CSM;
- b) the effect of changes in interest rates and other financial assumptions; and
- c) foreign exchange differences.

For contracts measured under the VFA, insurance finance income or expenses comprise changes in the value of underlying items (excluding additions and withdrawals).

For contracts measured under the PAA, the main amounts within insurance finance income or expenses are:

- a) interest accreted on the FCF; and
- b) the effect of changes in interest rates and other financial assumptions.

GEH Group disaggregates changes in the risk adjustment for non-financial risk between insurance service results and insurance finance income or expenses for life insurance. For non-life insurance, the entire change in the risk adjustment for non-financial risk is included in insurance service results.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 2. Material Accounting Policy Information (continued)

### 2.13 Insurance and Reinsurance Contracts (continued)

#### 2.13.9 Insurance Service Result from Insurance Contracts Issued (continued)

##### Insurance Finance Income or Expenses (continued)

For life and non-life insurance contracts, GEH Group includes all insurance finance income or expenses for the period in the income statement, except for certain portfolios measured using the GMM where the OCI option is applied. This is expected to reduce accounting mismatches in profit or loss, considering that many of the supporting financial assets will be debt investments measured at FVOCI.

GEH Group systematically allocates expected total insurance finance income or expenses over the duration of the group of contracts to the income statement using discount rates determined on initial recognition of the group of contracts.

In the event of transfer of a group of insurance contracts or derecognition of an insurance contract, GEH Group reclassifies the insurance finance income or expenses to the income statement as a reclassification adjustment to any remaining amounts for the group (or contract) that were previously recognised in other comprehensive income.

The groups of insurance contracts, including the CSM, that generate cash flows in a foreign currency are treated as monetary items.

#### 2.13.10 Assets and Liabilities of Life Insurance Funds

The assets and liabilities of the Group's life insurance business are held primarily for the beneficial interests of the life insurance policyholders. Therefore, they are presented separately in the balance sheet within the line items "Investment securities for life insurance funds", "Other assets for life insurance funds" and "Insurance contract liabilities and other liabilities for life insurance funds" respectively.

### 2.14 Share Capital and Dividend

Ordinary shares, non-cumulative non-convertible preference shares and perpetual capital securities are classified as equity on the balance sheet.

Incremental costs directly attributable to the issue of new capital securities are shown in equity as a deduction from the proceeds.

Where share capital recognised as equity is repurchased (treasury shares), the amount of the consideration paid, including directly attributable costs, is presented as a deduction from equity. Treasury shares which are subsequently reissued, sold or cancelled, are recognised as changes in equity.

Interim dividends on ordinary shares and dividends on preference shares are recorded in the year in which they are declared payable by the Board of Directors. Final dividends are recorded in the year when the dividends are approved by shareholders at the annual general meeting.

### 2.15 Leases

#### 2.15.1 As Lessee

At the inception of a contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

##### Right-of-Use Assets

The Group recognises a right-of-use (ROU) asset and lease liability at the date which the underlying asset is available for use. ROU assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the ROU assets.

These ROU assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

ROU assets are presented within the same balance sheet line item within which the corresponding underlying assets would be presented if they were owned.

##### Lease Liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease liability is subsequently measured at amortised cost using the effective interest method. Lease liability shall be remeasured when there is modification in the scope or the consideration of the lease that was not part of the original term.

##### Short-Term Leases and Low-Value Assets

The Group has elected to not recognise ROU assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low-value leases, except for sublease arrangements. Lease payments relating to these leases are recognised as an expense on a straight-line basis over the lease term.

## 2. Material Accounting Policy Information (continued)

### 2.15 Leases (continued)

#### 2.15.2 As Lessor

Rental income on tenanted areas of the buildings owned by the Group is recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

### 2.16 Recognition of Income and Expense

#### 2.16.1 Interest Income and Expense

Interest income or expense is recognised using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or amortised cost of the financial liability.

In calculating interest income, the effective interest rate is applied to the amortised cost of the financial asset. For this purpose, the amortised cost is the gross carrying amount less impairment allowance for a credit impaired asset and the gross carrying amount (before allowance for expected credit losses) for a non-credit impaired asset. In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

#### 2.16.2 Fees and Commissions

The Group earns fees and commissions from a range of services rendered to its customers. Fees and commissions are recognised when the Group has satisfied its performance obligations in providing the services to the customer. Transaction based fees and commissions are generally recognised upon the completion of a transaction. For services provided over a period of time or credit risk undertaken, fees and commissions are amortised over the relevant period.

Expenses are offset against gross fees and commissions in the income statement only when they are directly related.

#### 2.16.3 Dividends

Dividends from equity securities, subsidiaries and associates are recognised when the right to receive payment is established. Dividends received from equity securities at FVTPL and FVOCI are presented in net trading income and other income respectively.

#### 2.16.4 Employee Benefits

The Group's compensation package for staff consists of base salaries, allowances, defined contribution plans such as the Central Provident Fund, defined benefit plans, commissions, cash bonuses, and share-based compensation plans. These are recognised in the income statement when incurred. Employee leave entitlements are estimated according to the terms of employment contract and accrued on the reporting date.

For defined benefit plans, the liability recognised in the balance sheet is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, adjusted for unrecognised actuarial gains or losses and past service costs. Remeasurements of defined benefit plans are recognised in OCI in the period in which they arise.

Share-based compensation plans include the Bank's Share Option Schemes, the Employee Share Purchase Plan (ESP Plan) and the Deferred Share Plan (DSP). Equity instruments granted are recognised as expense in the income statement based on the fair value of the equity instrument at the date of the grant. The expense is recognised over the vesting period of the grant, with corresponding entries to equity.

At each reporting date, the Group revises its estimates of the number of equity instruments expected to be vested, and the impact of the change to the original estimates, if any, is recognised in the income statement, with a corresponding adjustment to equity over the remaining vesting period.

The Group accrues for interest on the monthly contributions made by employees to the savings-based ESP Plan. For the DSP, a trust is set up to administer the shares. The DSP Trust is consolidated in the Group's financial statements.

Proceeds received upon the exercise of options and acquisition rights, net of any directly attributable transaction costs, are credited to share capital.

#### 2.17 Income Tax Expense

Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity or in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 2. Material Accounting Policy Information (continued)

### 2.17 Income Tax Expense (continued)

Pillar Two related top-up tax expenses are recognised and disclosed separately from other current income tax expenses. Qualified domestic top-up tax expenses are recognised and presented as current income tax expenses by the relevant entities in the Group that have the legal obligation to settle qualifying domestic top-up taxes with the tax authorities.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for tax computation. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that does not affect accounting or taxable profit, and differences relating to investments in subsidiaries, associates and joint ventures to the extent that they probably will not reverse in the foreseeable future. The Group applies the SFRS(I) 1-12 exception to recognising and disclosing information about deferred tax assets and liabilities related to the "Base Erosion and Profit Shifting" Pillar Two income taxes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available for utilisation against the temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

### 2.18 Fiduciary Activities

The Group acts as trustees and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. The assets and income from these assets do not belong to the Group, and are therefore excluded from these financial statements.

### 2.19 Earnings Per Share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted-average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

### 2.20 Segment Reporting

The Group's business segments represent the key customer and product groups, as follows: Global Consumer/Private Banking, Global Wholesale Banking, Global Markets and Insurance. All operating segments' results are reviewed regularly by the senior management to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. In determining the segment results, balance sheet items are internally transfer priced and revenues and expenses are attributed to each segment based on internal management reporting policies. Transactions between business segments are recorded within the segment as if they are third party transactions and are eliminated on consolidation.

A geographical segment engages in providing products and services within a particular economic environment that is subject to different risks from those of other economic environments. Geographical segment information is prepared based on the country in which the transactions are booked and presented after elimination of intra-group transactions and balances.

### 2.21 Critical Accounting Estimates and Judgements

Certain estimates are made in the preparation of the financial statements. These often require management judgement in determining the appropriate methodology for valuation of assets and liabilities. A brief description of the Group's critical accounting estimates is set out below.

## 2. Material Accounting Policy Information (continued)

### 2.21 Critical Accounting Estimates and Judgements (continued)

#### 2.21.1 Impairment of Financial Assets

In determining whether the credit risk of the Group's financial assets/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.

#### Allowances for Non-Credit-Impaired Loans to Customers

As of 31 December 2025, the forward-looking scenarios used in the ECL model have been updated from those as of 31 December 2024, 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 were made to more accurately reflect the continued weakness of certain industries and segments.

#### Sensitivity of ECL

ECL is estimated to increase by \$3,016 million (2024: \$2,173 million) should all the exposures in Stage 1 (12-month ECL) move to Stage 2 (lifetime ECL).

The Group's allowances for financial assets are disclosed in Note 30.

#### Allowances for Credit-Impaired Loans to Customers

In respect of credit-impaired exposures, management judgement and estimation are applied in, amongst others, identifying impaired exposures, estimating the related recoverable cash flows and where applicable, determining collateral values and timing of realisation. Judgements and assumptions in respect of these matters have been updated to reflect the relevant information as of 31 December 2025.

The Group's allowances for credit-impaired loans to customers are disclosed in Note 28.

#### 2.21.2 Fair Value Estimation

Fair value is derived from quoted market prices or valuation techniques which maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The fair

values of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) are determined by using valuation techniques. Where unobservable data inputs have a significant impact on the value obtained from the valuation model, such a financial instrument is initially recognised at the transaction price, which is the best indicator of fair value. The difference between the transaction price and the model value, commonly referred to as "day one profit or loss" is not recognised immediately in the income statement. The choice of valuation technique and the use of model inputs requires significant judgement.

The timing of recognising the day one profit or loss is determined individually. It is amortised over the life of the transaction, released when the instrument's fair value can be determined using market observable inputs, or when the transaction is derecognised.

#### 2.21.3 Insurance Business

GEH Group makes estimates, assumptions and judgements in its estimates of FCF, discount rates used, risk adjustments for non-financial risk, and CSM.

#### Discount Rates

Insurance contract liabilities are calculated by discounting expected future cash flows at a risk-free rate, plus an illiquidity premium where applicable. Risk free rates are determined by reference to the observable market yields of government securities in the currency of the insurance contract liabilities.

GEH Group adopts a bottom-up approach in which discount rates are based on the relevant currency's risk-free yield curves and an adjustment for illiquidity premium.

- a) For Singapore segment, for deriving risk-free yield curves and Ultimate Forward Rate (UFR), references are made in particular to the Monetary Authority of Singapore Risk Based Capital Framework (MAS RBC 2) which is also aligned with the approach taken by the International Associations of Insurance Supervisors (IAIS) on the design of the global insurance capital standards (ICS).

For the Malaysia segment, for deriving risk-free yield curves and UFR, references are made to the approach taken by the IAIS on the design of the global ICS, with rates for the first 15 years being referenced to the Bank Negara Malaysia Risk Based Capital Framework (BNM RBC).

- b) For illiquidity premium, illiquidity buckets (illiquidity application ratio) are assigned using an objective scoring system that is based on illiquidity characteristics of products on each portfolio. Market observable illiquidity premium levels are derived every month-end based on a credit-risk adjusted market spread of reference assets for each currency.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 2. Material Accounting Policy Information (continued)

### 2.21 Critical Accounting Estimates and Judgements (continued)

#### 2.21.3 Insurance Business (continued)

The adjustment of illiquidity premium in (b) is added as a layer in addition to the risk-free yield curves in (a) based on the illiquidity application ratio of each portfolio.

The yield curves that were used to discount the estimates of future cash flows that do not vary based on the returns of the underlying items are as follows:

2025					
Currency	1 year	5 years	10 years	15 years	20 years
SGD	1.41% – 1.87%	1.89% – 2.36%	2.16% – 2.44%	2.23% – 2.79%	2.20% – 3.04%
USD	3.67% – 3.96%	4.03% – 4.78%	4.63% – 5.52%	5.14% – 5.99%	5.35% – 5.92%
MYR	2.85% – 3.27%	3.29% – 3.49%	3.56% – 3.66%	3.83% – 4.04%	4.04% – 4.35%

  

2024					
Currency	1 year	5 years	10 years	15 years	20 years
SGD	2.72% – 3.23%	2.75% – 3.19%	2.85% – 3.05%	2.89% – 3.43%	2.80% – 3.69%
USD	4.11% – 4.68%	4.34% – 4.98%	4.55% – 5.46%	4.78% – 5.74%	4.90% – 5.93%
MYR	3.28% – 3.50%	3.66% – 4.04%	3.85% – 4.19%	4.03% – 4.76%	4.15% – 5.07%

#### Risk Adjustment for Non-Financial Risk

The risk adjustment for non-financial risk is the compensation that is required for bearing the uncertainty about the amount and timing of cash flows that arises from non-financial risk as the insurance contract is fulfilled. Because the risk adjustment represents compensation for uncertainty, estimates are made on the degree of diversification benefits and expected favourable and unfavourable outcomes in a way that reflects GEH Group's degree of risk aversion. GEH Group estimates an adjustment for non-financial risk separately from all other estimates. GEH Group does not consider the effect of reinsurance in the risk adjustment for non-financial risk of the underlying insurance contracts.

The confidence level technique is used to derive the overall risk adjustment for non-financial risk. The risk adjustment is the excess of the value at risk at the target confidence level over the expected present value of the future cash flows. The target confidence level is at 85th percentile.

#### Estimates of Future Cash Flows

In estimating future cash flows, GEH Group incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience updated to reflect current expectations of future events.

The estimates of future cash flows will reflect GEH Group's view of current conditions at the reporting date, as long as the estimates of any relevant market variables are consistent with observable market prices.

When estimating future cash flows, GEH Group takes into account current expectations of future events that might affect cash flows. Cash flows within a contract boundary are those that relate directly to the fulfilment of the contract, including those for which GEH Group has discretion over the amount or timing. These include payments to (or on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling contracts. Insurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads.

Cash flows are attributed to acquisition activities, other fulfilment activities and other activities at local entity level using activity-based costing techniques. Cash flows attributable to acquisition and other fulfilment activities are allocated to groups of contracts using methods that are systematic and rational and will be consistently applied to all costs that have similar characteristics.

## 2. Material Accounting Policy Information (continued)

### 2.21 Critical Accounting Estimates and Judgements (continued)

#### 2.21.3 Insurance Business (continued)

GEH Group derives the mortality and morbidity assumptions from the recent experience where credible. Reference to industry tables, reinsurance rates, or pricing basis is made where historical experience is not credible. Mortality and morbidity rates are generally differentiated between policyholder groups, based on gender and smoker status.

Lapses and surrender are derived based on GEH Group's own experience where credible. Where historical experience is not credible or not available, experience for similar product type is used as reference to derive the assumptions. Lapse and surrender assumptions generally vary by product type as well as policy years.

#### Coverage Units

In the determination of the coverage units, the type of service is identified based on the terms and features of the insurance contracts. Management then applied judgement in determining the appropriate coverage unit against the type of service identified.

The number of coverage units in a group is the quantity of coverage provided by the contracts in the group, determined by considering the quantity of the benefits provided by each contract in the group and its expected coverage duration. The coverage units are assessed at each reporting period-end prospectively by considering:

- a) the quantity of benefits provided by contracts in the group;
- b) the expected coverage period of contracts in the group; and
- c) the likelihood of insured events occurring, only to the extent that they affect the expected coverage period of contracts in the group.

GEH Group uses the amount that it expects the policyholder to be able to validly claim in each period if an insured event occurs as the basis for quantifying benefits with respect to insurance coverage.

#### 2.21.4 Impairment of Goodwill and Other Intangible Assets

The Group performs an annual review of the carrying amount of its goodwill and other intangible assets, against the recoverable amounts of the CGU to which the goodwill and other intangible assets have been allocated. Recoverable amounts of banking CGUs are determined based on the present value of estimated future cash flows expected to arise from the respective CGUs' continuing operations. The recoverable amount of insurance CGU is determined using the appraisal value method. Management exercises its judgement in estimating the future cash flows, growth rates and discount rates used in computing the recoverable amounts of the CGUs.

In light of current macroeconomic conditions, management reassessed the assumptions applied in estimating the future cash flows, including growth rates and discount rates used in computing the recoverable amount, and determined that no impairment should be recognised during the year.

#### 2.21.5 Income Taxes

The Group is subject to income taxes in several jurisdictions. Significant judgement is required in determining the capital allowances and deductibility of certain expenses in estimating the income tax liabilities. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax balances in the period in which the determination is made.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 3. Net Interest Income

\$ million	GROUP		BANK	
	2025	2024	2025	2024
<b>Interest income</b>				
Loans to customers	13,745	15,628	9,804	11,183
Placements with and loans to banks	2,606	3,552	2,604	3,472
Other interest-earning assets	3,725	3,264	2,150	1,877
	20,076	22,444	14,558	16,532
<b>Interest expense</b>				
Deposits of non-bank customers	(9,226)	(10,552)	(5,982)	(6,729)
Deposits and balances of banks	(470)	(518)	(1,875)	(2,104)
Other borrowings	(1,230)	(1,619)	(1,181)	(1,569)
	(10,926)	(12,689)	(9,038)	(10,402)

<b>Analysed by classification of financial instruments</b>				
Income – Assets at amortised cost	16,331	18,959	12,458	14,458
Income – Assets at FVOCI	3,173	2,909	1,671	1,620
Income – Assets mandatorily measured at FVTPL	572	576	429	454
Expense – Liabilities not at FVTPL	(10,784)	(12,575)	(8,897)	(10,290)
Expense – Liabilities mandatorily measured at FVTPL	(142)	(114)	(141)	(112)
<b>Net interest income</b>	<b>9,150</b>	<b>9,755</b>	<b>5,520</b>	<b>6,130</b>

Included in interest income were interest of \$38 million (2024: \$25 million) and \$8 million (2024: \$10 million) on impaired assets for the Group and Bank respectively.

The Group's and Bank's interest expenses on lease liabilities were not significant for the financial years ended 31 December 2025 and 31 December 2024.

## 4. Insurance Service Results and Net Investment and Finance Income/(Expenses) from Life Insurance

### Insurance Service Results from Life Insurance

\$ million	GROUP	
	2025	2024
<b>Insurance revenue from life insurance</b>		
Expected incurred claims and other insurance service expenses	4,432	4,202
Change in the risk adjustment for non-financial risk for the risk expired	595	522
CSM recognised in the income statement for the services provided	669	728
Insurance acquisition cash flows recovery	596	535
<b>Insurance revenue from contracts not measured under the PAA</b>	<b>6,292</b>	<b>5,987</b>
Insurance revenue from contracts measured under the PAA	174	193
<b>Total insurance revenue</b>	<b>6,466</b>	<b>6,180</b>
Insurance service expenses	(5,634)	(5,701)
Net income from reinsurance contracts held	95	113
<b>Insurance service results from life insurance</b>	<b>927</b>	<b>592</b>

## 4. Insurance Service Results and Net Investment and Finance Income/(Expenses) from Life Insurance (continued)

### Net Investment Income from Life Insurance

\$ million	GROUP	
	2025	2024
<b>Investment income/(loss)</b>		
Interest income	2,246	2,232
Other investment income	5,119	3,889
Decrease in provision for impairment of financial assets	#	3
Change in third-party interests in consolidated investment funds	#	(#)
Amounts recognised in OCI	299	76
<b>Total investment income</b>	<b>7,664</b>	<b>6,200</b>

### Net Insurance Financial Result from Life Insurance

\$ million	GROUP	
	2025	2024
<b>Finance (expenses)/income from insurance contracts issued</b>		
Changes in value of underlying assets of contracts with direct participating features	(6,327)	(4,828)
Effect of risk mitigation option	(14)	–
Effect of changes in FCF at current rates when CSM is unlocked at locked-in rates	91	(61)
Interest accreted	(668)	(690)
Effect of changes in interest rates and other financial assumptions	(663)	(256)
Exchange differences	109	(67)
Others	(106)	(8)
<b>Total finance expenses from insurance contracts issued</b>	<b>(7,578)</b>	<b>(5,910)</b>
Represented by:		
Amounts recognised in the income statement	(7,254)	(5,825)
Amounts recognised in OCI	(324)	(85)
	<b>(7,578)</b>	<b>(5,910)</b>
<b>Finance income/(expenses) from reinsurance contracts held</b>		
Interest accreted to reinsurance contracts using locked-in rate	29	15
Effect of changes in interest rates and other financial assumptions	92	(1)
Changes in non-performance risk of reinsurer	(1)	(4)
Exchange differences	(13)	4
<b>Total finance income from reinsurance contracts held</b>	<b>107</b>	<b>14</b>
Represented by:		
Amounts recognised in the income statement	17	14
Amounts recognised in OCI	90	–
	<b>107</b>	<b>14</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 5. Fees and Commissions (Net)

\$ million	GROUP		BANK	
	2025	2024	2025	2024
<b>Gross fee and commission income</b>				
Brokerage	118	87	8	2
Credit card	414	404	339	334
Fund management	121	108	1	2
Guarantees	10	12	2	3
Investment banking	144	109	115	91
Loan-related	262	213	198	160
Service charges	116	124	75	78
Trade-related and remittances	278	271	180	185
Wealth management <sup>(1)</sup>	1,443	1,079	498	344
Others	35	26	8	5
	<b>2,941</b>	<b>2,433</b>	<b>1,424</b>	<b>1,204</b>
<b>Fee and commission expense</b>	<b>(530)</b>	<b>(463)</b>	<b>(264)</b>	<b>(261)</b>
<b>Fees and commissions (net)</b>	<b>2,411</b>	<b>1,970</b>	<b>1,160</b>	<b>943</b>

<sup>(1)</sup> Includes trust and custodian fees.

## 6. Dividends from Subsidiaries and Associates

\$ million	GROUP		BANK	
	2025	2024	2025	2024
Subsidiaries	–	–	1,466	1,518
Associates	–	–	287	150
	–	–	<b>1,753</b>	<b>1,668</b>

## 7. Net Trading Income

\$ million	GROUP		BANK	
	2025	2024	2025	2024
Foreign exchange <sup>(1)</sup>	<b>1,195</b>	547	<b>731</b>	117
Hedging activities <sup>(2)</sup>				
Hedging instruments	<b>35</b>	179	<b>82</b>	178
Hedged items	<b>(34)</b>	(185)	<b>(80)</b>	(182)
Net gain/(loss) from fair value hedge ineffectiveness	<b>1</b>	(6)	<b>2</b>	(4)
Net gain/(loss) from interest rate and other derivative financial instruments <sup>(3)</sup>	<b>180</b>	804	<b>(1)</b>	640
Net gain/(loss) from non-derivative financial instruments <sup>(4)(5)</sup>	<b>271</b>	190	<b>(49)</b>	(16)
Others	<b>37</b>	2	<b>37</b>	2
	<b>1,684</b>	1,537	<b>720</b>	739

(1) "Foreign exchange" include gains and losses from spot and forward contracts and translation of foreign currency denominated assets and liabilities.

(2) "Hedging activities" arise from the use of derivatives to hedge exposures to interest rate and foreign exchange risks, which are inherent in the underlying "Hedged items".

(3) "Interest rate and other derivatives" include gains and losses from interest rate derivative instruments, equity options and other derivative instruments.

(4) "Non-derivative financial instruments" include trading gains and losses from fair value financial instruments which are either designated at initial recognition or mandatorily measured at FVTPL.

(5) Includes dividend income of \$319 million and \$299 million for the Group and Bank (2024: \$75 million and \$61 million) respectively.

## 8. Other Income

\$ million	GROUP		BANK	
	2025	2024	2025	2024
Disposal of investment securities	<b>58</b>	24	<b>(5)</b>	14
Disposal/liquidation of subsidiaries and associates	<b>63</b>	(#)	<b>12</b>	#
Disposal of property, plant and equipment	<b>18</b>	36	<b>13</b>	967
Rental and property-related income	<b>94</b>	91	<b>12</b>	68
Dividends from FVOCI securities	<b>35</b>	35	<b>-</b>	#
Others	<b>32</b>	108	<b>102</b>	122
	<b>300</b>	294	<b>134</b>	1,171

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 9. Staff Costs and Other Operating Expenses

\$ million	GROUP		BANK	
	2025	2024	2025	2024
<b>9.1 Staff costs</b>				
Salaries and other costs	3,525	3,487	1,276	1,302
Share-based expenses	61	61	25	26
Contribution to defined contribution plans	302	273	115	104
	<b>3,888</b>	<b>3,821</b>	<b>1,416</b>	<b>1,432</b>
Directors' emoluments:				
Remuneration of Bank's directors	13	11	12	11
Fees of Bank's directors <sup>(1)</sup>	6	5	5	5
	<b>19</b>	<b>16</b>	<b>17</b>	<b>16</b>
Total staff costs	<b>3,907</b>	<b>3,837</b>	<b>1,433</b>	<b>1,448</b>
<b>9.2 Other operating expenses</b>				
Property, plant and equipment: <sup>(2)</sup>				
Depreciation	544	456	289	231
Maintenance and rental <sup>(3)</sup>	180	201	124	124
Others	462	405	299	284
	<b>1,186</b>	<b>1,062</b>	<b>712</b>	<b>639</b>
Auditors' remuneration:				
Payable to auditor of the Bank	9	9	4	3
Payable to associated firms of auditor of the Bank	7	7	1	1
Payable to other auditors	#	#	#	#
	<b>16</b>	<b>16</b>	<b>5</b>	<b>4</b>
Other fees:				
Payable to auditor of the Bank <sup>(4)</sup>	2	2	2	1
Payable to associated firms of auditor of the Bank	1	1	#	#
	<b>3</b>	<b>3</b>	<b>2</b>	<b>1</b>
Hub processing charges	-	-	430	444
Others <sup>(5)</sup>	770	824	365	444
	<b>770</b>	<b>824</b>	<b>795</b>	<b>888</b>
Total other operating expenses	<b>1,975</b>	<b>1,905</b>	<b>1,514</b>	<b>1,532</b>
<b>9.3 Staff costs and other operating expenses</b>	<b>5,882</b>	<b>5,742</b>	<b>2,947</b>	<b>2,980</b>

(1) Includes remuneration shares amounting to \$1 million (2024: \$1 million) issued to directors.

(2) Direct operating expenses on investment property that generated rental income for the Group and the Bank amounted to \$17 million and \$1 million (2024: \$21 million and \$6 million) respectively. Direct operating expenses on investment property that did not generate rental income for the Group and the Bank amounted to \$1 million and \$# million (2024: \$1 million and \$# million) respectively.

(3) Includes expenses relating to short-term leases of \$13 million and \$5 million (2024: \$16 million and \$5 million) for the Group and the Bank respectively, and low-value assets of \$3 million and \$1 million (2024: \$5 million and \$# million) for the Group and the Bank respectively.

(4) Other fees payable to auditor of the Bank relate mainly to engagements in connection with the Bank's note issuances, taxation compliance and advisory services, miscellaneous attestations and audit certifications.

(5) Included in other expenses were printing, stationery, communication, advertisement and promotion expenses and legal and professional fees.

## 10. Allowances for Loans and Other Assets

\$ million	GROUP		BANK	
	2025	2024	2025	2024
Allowances/(write-back):				
Impaired loans (Note 28)	486	403	305	133
Impaired other assets	49	123	6	3
Non-impaired loans	124	158	116	49
Non-impaired other assets	6	6	1	6
<b>Allowances for loans and other assets</b>	<b>665</b>	<b>690</b>	<b>428</b>	<b>191</b>

## 11. Income Tax Expense

\$ million	GROUP		BANK	
	2025	2024	2025	2024
Current tax expense	1,486	1,178	863	676
Deferred tax expense/(credit) (Note 20)	58	152	(77)	30
	1,544	1,330	786	706
Under/(over) provision in prior years	19	(102)	27	(87)
<b>Charge to income statement</b>	<b>1,563</b>	<b>1,228</b>	<b>813</b>	<b>619</b>

The tax on operating profit differs from the amount that would arise using the Singapore corporate tax rate as follows:

\$ million	GROUP		BANK	
	2025	2024	2025	2024
Operating profit after allowances and amortisation	8,046	7,982	5,912	7,480
Prima facie tax calculated at tax rate of 17%	1,368	1,357	1,005	1,272
Effect of:				
Different tax rates in other countries	203	136	109	59
Income not subject to tax	26	18	(228)	(404)
Income taxed at concessionary rates	(197)	(283)	(178)	(268)
Insurance/reinsurance contract liabilities	21	(15)	–	–
Non-deductible expenses and losses	47	131	19	(14)
OECD Pillar Two	41	–	36	–
Others	35	(14)	23	61
	1,544	1,330	786	706

The deferred tax expense/(credit) comprised:				
Accelerated tax depreciation	32	57	20	48
Depreciable assets acquired in business combinations	(3)	(5)	(1)	(29)
Tax losses	(20)	(35)	5	(19)
Insurance/reinsurance contract liabilities	163	94	–	–
Unrealised gains/(losses) on financial assets	8	8	(11)	13
(Allowances)/write-back for assets	(67)	#	(35)	(12)
Other temporary differences	(55)	33	(55)	29
	58	152	(77)	30

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 11. Income Tax Expense (continued)

### OECD Pillar Two Model Rules

The Group is within the scope of the Organisation for Economic Co-operation and Development (OECD) Pillar Two model rules, and it applies the SFRS(I) 1-12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. In December 2024, Singapore enacted the Pillar Two legislation and implemented the Income Inclusion Rule (IIR) and a Domestic Minimum Top-up Tax (DTT), effective from 1 January 2025. Under the legislation, the Group is liable to pay a top-up tax for the difference between its GloBE effective tax rate in each jurisdiction and the 15% minimum rate.

The Group has determined that it has either met the transitional country-by-country reporting safe harbour provisions or has effective tax rates exceeding 15% in all jurisdictions in which it operates, except for Singapore, Brunei, Macau, Taiwan and United Arab Emirates (UAE). Considering the impact of specific adjustments in Pillar Two legislation, the Group recognised Pillar Two current income tax expense of \$41 million for the year. This is included in income tax expense in the income statement.

## 12. Earnings Per Share

\$ million	GROUP	
	2025	2024
Profit attributable to equity holders of the Bank	7,422	7,587
Perpetual capital securities distributions declared in respect of the period	(85)	(64)
Profit attributable to ordinary equity holders of the Bank after other equity distributions	7,337	7,523
<b>Weighted average number of ordinary shares (million)</b>		
For basic earnings per share	4,495	4,497
Adjustment for assumed conversion of share options and acquisition rights	3	3
For diluted earnings per share	4,498	4,500
<b>Earnings per share (\$)</b>		
Basic	1.63	1.67
Diluted	1.63	1.67

Basic earnings per share is calculated by dividing profit attributable to ordinary equity holders of the Bank net of perpetual capital securities distributions by the weighted average number of ordinary shares in issue during the financial year.

For the purpose of calculating the diluted earnings per ordinary share, the weighted average number of ordinary shares in issue is adjusted to take into account the dilutive effect arising from share options and acquisition rights, with the potential ordinary shares weighted for the period outstanding.

## 13. Share Capital

### 13.1 Share Capital

Shares (million)	2025	2024
<b>GROUP AND BANK</b>		
<b>Ordinary shares</b>		
<b>At 1 January</b>	<b>4,515</b>	4,515
Cancellation of shares	(14)	–
Shares issued to non-executive directors	#	#
<b>At 31 December</b>	<b>4,501</b>	4,515
<b>Treasury shares</b>		
<b>At 1 January</b>	<b>(15)</b>	(21)
Share buyback	(27)	(13)
Cancellation of shares	14	–
Share Option Scheme	4	6
Share Purchase Plan	7	7
Treasury shares transferred to DSP Trust	6	6
<b>At 31 December</b>	<b>(11)</b>	(15)
<b>\$ million</b>	<b>2025</b>	<b>2024</b>
<b>GROUP AND BANK</b>		
<b>Issued share capital</b>	<b>17,887</b>	18,096

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

The holders of ordinary shares (excluding treasury shares) are entitled to receive dividends as declared from time to time and to one vote per share at meetings of the Bank. All shares (excluding treasury shares) rank equally with regard to the Bank's residual assets.

The issued ordinary shares have no par value and qualify as Common Equity Tier 1 capital for the Group.

All issued shares were fully paid.

Subsidiaries and associates of the Group did not hold shares in the capital of the Bank as at 31 December 2025 and 31 December 2024.

### 13.2 Share Option Scheme

Executives of the Group ranked Manager and above and non-executive directors of the Group are eligible to participate in the OCBC Share Option Scheme 2001 (2001 Scheme). The Bank has ceased granting share options under the 2001 Scheme effective from financial year 2018 remuneration. Share options granted in prior years continue to be outstanding until the options lapse or are exercised by the recipients. Options granted to Group executives are exercisable for up to 10 years, while options granted to non-executive Directors are exercisable for up to five years.

For the financial years ended 31 December 2025 and 31 December 2024, no options were granted under the 2001 Scheme.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 13. Share Capital (continued)

### 13.2 Share Option Scheme (continued)

Movements in the number of shares under options and the average acquisition prices are as follows:

	2025		2024	
	Number of shares under options ('000)	Average price	Number of shares under options ('000)	Average price
<b>At 1 January</b>	<b>8,250</b>	<b>\$10.850</b>	14,299	\$10.943
Exercised	(3,644)	\$10.797	(5,996)	\$11.051
Forfeited/lapsed	–	–	(53)	\$13.340
<b>At 31 December</b>	<b>4,606</b>	<b>\$10.892</b>	8,250	\$10.850
Exercisable options at 31 December	4,606	\$10.892	8,250	\$10.850
Average share price underlying the options exercised		\$16.891		\$14.263

At 31 December 2025, the weighted average remaining contractual life of outstanding share options was 1.4 years (2024: 2.1 years). The aggregate number of shares under outstanding options held by a director of the Bank was 23,085 (2024: 43,512).

### 13.3 Employee Share Purchase Plan

The OCBC Employee Share Purchase Plan (ESP Plan) was implemented for all employees of the participating companies in the Group, including executive Directors.

The ESP Plan is a saving-based share ownership plan to help employees own ordinary shares in the Bank through their monthly contributions via deductions from payroll and/or from Central Provident Fund. The employees have the option to convert the contributions to ordinary shares after one year or to withdraw the contributions at any time. As a further incentive to employees to enrol in the ESP Plan, the Bank pays interest on the amounts saved at a preferential interest rate. The duration of the offering period is 24 months.

In July 2025, the Bank launched its twentieth offering under the ESP Plan, which commenced on 1 September 2025 and will expire on 31 August 2027. Under the twentieth offering, the Bank granted rights to acquire 8,304,189 (2024: 8,555,039) ordinary shares in the Bank. For the financial years ended 31 December 2025 and 31 December 2024, no rights were granted to directors of the Bank to acquire ordinary shares in the Bank. The fair value of rights, determined using the binomial valuation model, was \$9.0 million (2024: \$5.3 million). Significant inputs to the valuation model are set out below:

	2025	2024
Acquisition price (\$)	<b>16.73</b>	14.45
Share price (\$)	<b>16.79</b>	14.80
Expected volatility based on historical volatility as of acceptance date (%)	<b>19.42</b>	13.19
Singapore government bond yields (%)	<b>1.56</b>	2.83
Expected dividend yield (%)	<b>6.66</b>	6.54

## 13. Share Capital (continued)

### 13.3 Employee Share Purchase Plan (continued)

Movements in the number of acquisition rights of the ESP Plan are as follows:

	2025		2024	
	Number of acquisition rights ('000)	Average price	Number of acquisition rights ('000)	Average price
<b>At 1 January</b>	<b>15,569</b>	<b>\$13.524</b>	15,492	\$12.287
Exercised and conversion upon expiry	(7,528)	\$12.585	(7,236)	\$12.098
Forfeited	(1,043)	\$14.658	(1,242)	\$12.783
Subscription	8,304	\$16.730	8,555	\$14.450
<b>At 31 December</b>	<b>15,302</b>	<b>\$15.648</b>	15,569	\$13.524
Average share price underlying acquisition rights exercised/converted		\$16.649		\$14.820

At 31 December 2025, the weighted average remaining contractual life of outstanding acquisition rights was 1.2 years (2024: 1.2 years). At 31 December 2025 and 31 December 2024, no acquisition rights were held by directors of the Bank.

### 13.4 Deferred Share Plan

The OCBC Deferred Share Plan (DSP) aims to increase the performance-orientation and retention factor in compensation packages of executives, and foster an ownership culture within the organisation. It also aligns the interests of executives with the sustained business performance of the Bank. Group executives holding the rank or equivalent rank of Assistant Manager and above, and any Group Executive Director selected by the Remuneration Committee, are eligible to participate in the DSP.

Half (50%) of the share awards will vest after two years with the remaining 50% vesting at the end of three years in accordance with the guidelines established under the DSP. Prior to the vesting date, the executives will not be accorded voting rights for the shares.

The Bank adopted the OCBC Deferred Share Plan 2021 (DSP 2021) on 29 April 2021 to replace the DSP, which was terminated on the same day. The termination of the DSP does not affect the awards which have been granted, whether such awards have been released (whether fully or partially) or not. By implementing the DSP 2021, which permits new ordinary shares to be issued, the Bank has greater flexibility in its methods for delivery of ordinary shares, as this can be effected through an issue of new ordinary shares, in addition to the transfer of existing ordinary shares (including treasury shares).

During the year, no (2024: 10,994) deferred shares were released to employees under the DSP. As at 31 December 2025, there were no longer any outstanding awards granted under the DSP.

Total awards of 6,694,487 (2024: 7,237,975) ordinary shares were granted and accepted by eligible executives under the DSP 2021 for the financial year ended 31 December 2025, of which 261,894 ordinary shares were granted to a director of the Bank who held office as at 31 December 2025. The fair value of the shares at grant date was \$115.5 million (2024: \$96.8 million). During the year, 7,921,130 (2024: 8,056,432) deferred shares were released to employees under the DSP 2021, of which 263,235 deferred shares were released to a director of the Bank who held office at 31 December 2025.

The accounting treatment of share-based compensation plan is set out in Note 2.16.4.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 14. Other Equity Instruments

\$ million	Note	GROUP	
		2025	2024
<b>Issued by the Bank:</b>			
SGD200 million 3.00% non-cumulative non-convertible perpetual capital securities (3.00% Capital Securities)	(a)	200	200
SGD500 million 3.90% non-cumulative non-convertible perpetual capital securities (3.90% Capital Securities)	(b)	498	498
SGD550 million 4.50% non-cumulative non-convertible perpetual capital securities (4.50% Capital Securities)	(c)	550	550
SGD450 million 4.05% non-cumulative non-convertible perpetual capital securities (4.05% Capital Securities)	(d)	450	450
		<b>1,698</b>	1,698
<b>Issued by The Great Eastern Life Assurance Company Limited:</b>			
USD500 million 5.398% non-cumulative non-convertible perpetual capital securities (5.398% Capital Securities)	(e)	676	–

- (a) The 3.00% Capital Securities issued by the Bank on 30 September 2020 are non-cumulative non-convertible perpetual capital securities. They qualify as Additional Tier 1 capital of the Bank under the requirements of MAS.

The 3.00% Capital Securities may, subject to MAS approval, be redeemed at the option of the Bank on or after 30 September 2030 (First Reset Date), or each distribution payment date falling after the First Reset Date. The terms include a non-viability loss-absorbing feature. Under this feature, OCBC must write off the securities when: (1) the MAS notifies the Bank in writing that it is of the opinion that a write-off is necessary, without which the Bank would become non-viable; or (2) a decision by the MAS to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable, as determined by the MAS. The Bank will, in consultation with or as directed by MAS, determine the amount to be written off in order for the non-viability event to cease to continue. In addition to the first call in 2030, the 3.00% Capital Securities may also be redeemed if a qualifying tax event or a change of qualification event occurs.

The 3.00% Capital Securities bear a fixed distribution rate of 3.00% per annum from the issue date to the First Reset Date and will be reset every 10 years thereafter to a fixed rate equal to the then-prevailing 10-year SGD Swap Offer Rate plus 2.19%. With the cessation of the SGD Swap Offer Rate, and following the guidance released by the Steering Committee for SOR Transition to SORA for the transition of resettable fixed rate securities, the fixed distribution rate will be replaced with the sum of the SORA-OIS of the same tenor and the 6-month MAS Recommended Rate Adjustment Spread of 0.3112% plus 2.19% if it is not redeemed at the First Reset Date. The non-cumulative distributions may only be paid out of distributable reserves semi-annually in March and September, unless cancelled by the Bank at its option. These constitute unsecured and subordinated obligations, ranking senior only to ordinary shares of the Bank.

## 14. Other Equity Instruments (continued)

- (b) The 3.90% Capital Securities issued by the Bank on 8 June 2022 are non-cumulative non-convertible perpetual capital securities. They qualify as Additional Tier 1 capital of the Bank under the requirements of MAS.

The 3.90% Capital Securities may, subject to MAS approval, be redeemed at the option of the Bank on 8 June 2027 (First Reset Date), or each distribution payment date falling after the First Reset Date. The terms include a non-viability loss-absorbing feature. Under this feature, OCBC must write off the securities when: (1) the MAS notifies the Bank in writing that it is of the opinion that a write-off is necessary, without which the Bank would become non-viable; or (2) a decision by the MAS to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable, as determined by the MAS. The Bank will, in consultation with or as directed by MAS, determine the amount to be written off in order for the non-viability event to cease to continue. In addition to the first call in 2027, the 3.90% Capital Securities may also be redeemed if a qualifying tax event or a change of qualification event occurs.

The 3.90% Capital Securities bear a fixed distribution rate of 3.90% per annum from the issue date to the First Reset Date and will be reset every five years thereafter to a fixed rate equal to the then-prevailing five-year SORA-OIS rate plus 1.4160%. The non-cumulative distributions may only be paid out of distributable reserves semi-annually in June and December, unless cancelled by the Bank at its option. These constitute unsecured and subordinated obligations, ranking senior only to ordinary shares of the Bank.

- (c) The 4.50% Capital Securities issued by the Bank on 15 August 2023 are non-cumulative non-convertible perpetual capital securities. They qualify as Additional Tier 1 capital of the Bank under the requirements of MAS.

The 4.50% Capital Securities may, subject to MAS approval, be redeemed at the option of the Bank on 15 February 2029 (First Reset Date), or each distribution payment date falling after the First Reset Date. The terms include a non-viability loss-absorbing feature. Under this feature, OCBC must write off the securities when: (1) the MAS notifies the Bank in writing that it is of the opinion that a write-off is necessary, without which the Bank would become non-viable; or (2) a decision by the MAS to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable, as determined by the MAS. The Bank will, in consultation with or as directed by MAS, determine the amount to be written off in order for the non-viability event to cease to continue. In addition to the first call in 2029, the 4.50% Capital Securities may also be redeemed if a qualifying tax event or a change of qualification event occurs.

The 4.50% Capital Securities bear a fixed distribution rate of 4.50% per annum from the issue date to the First Reset Date and will be reset every five years thereafter to a fixed rate equal to the then-prevailing five-year SORA-OIS rate plus 1.3348%. The non-cumulative distributions may only be paid out of distributable reserves semi-annually in February and August, unless cancelled by the Bank at its option. These constitute unsecured and subordinated obligations, ranking senior only to ordinary shares of the Bank.

- (d) The 4.05% Capital Securities issued by the Bank on 16 January 2024 are non-cumulative non-convertible perpetual capital securities. They qualify as Additional Tier 1 capital of the Bank under the requirements of MAS.

The 4.05% Capital Securities may, subject to MAS approval, be redeemed at the option of the Bank on 16 October 2029 (First Reset Date), or each distribution payment date falling after the First Reset Date. The terms include a non-viability loss-absorbing feature. Under this feature, OCBC must write off the securities when: (1) the MAS notifies the Bank in writing that it is of the opinion that a write-off is necessary, without which the Bank would become non-viable; or (2) a decision by the MAS to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable, as determined by the MAS. The Bank will, in consultation with or as directed by MAS, determine the amount to be written off in order for the non-viability event to cease to continue. In addition to the first call in 2029, the 4.05% Capital Securities may also be redeemed if a qualifying tax event or a change of qualification event occurs.

The 4.05% Capital Securities bear a fixed distribution rate of 4.05% per annum from the issue date to the First Reset Date and will be reset every five years thereafter to a fixed rate equal to the then-prevailing five-year SORA-OIS rate plus 1.3165%. The non-cumulative distributions may only be paid out of distributable reserves semi-annually in April and October, unless cancelled by the Bank at its option. These constitute unsecured and subordinated obligations, ranking senior only to ordinary shares of the Bank.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 14. Other Equity Instruments (continued)

- (e) The 5.398% Capital Securities issued by The Great Eastern Life Assurance Company Limited (GEL), on 22 January 2025 are non-cumulative non-convertible perpetual capital securities. They qualify as Additional Tier 1 capital of GEL under the requirements of MAS.

The 5.398% Capital Securities may, subject to MAS approval, be redeemed at the option of GEL on 22 January 2032 (First Reset Date), or each distribution payment date falling after the First Reset Date. In addition to the first call in 2032, the 5.398% Capital Securities may also be redeemed if a qualifying tax event or a change of qualification event occurs.

The 5.398% Capital Securities bear a fixed distribution rate of 5.398% per annum from the issue date to the First Reset Date and will be reset every five years thereafter to a fixed rate equal to the aggregate of the then prevailing 5-year U.S. Treasury Rate and the initial spread of 0.696%. The non-cumulative distributions may only be paid out of distributable reserves semi-annually in January and July, unless cancelled by GEL at its option. These constitute unsecured and subordinated obligations, ranking senior only to ordinary shares of GEL.

## 15. Capital Reserves

\$ million	GROUP		BANK	
	2025	2024	2025	2024
<b>At 1 January</b>	<b>830</b>	815	<b>534</b>	544
Share-based payments for staff costs	<b>6</b>	6	<b>6</b>	6
Shares transferred to DSP Trust	<b>(121)</b>	(92)	–	–
Shares vested under DSP Scheme	<b>132</b>	107	–	–
Transfer (to)/from unappropriated profit (Note 16.1)	<b>(70)</b>	10	–	–
Transfer to share capital	<b>(12)</b>	(16)	<b>(12)</b>	(16)
<b>At 31 December</b>	<b>765</b>	830	<b>528</b>	534

Capital reserves include regulatory loss allowance reserve and statutory reserves set aside by the Group's banking and stockbroking entities in accordance with the respective laws and regulations. Capital reserves also include the Bank's employee share schemes' reserves and deferred shares held by DSP Trust.

## 16. Revenue Reserves

\$ million	Note	GROUP		BANK	
		2025	2024	2025	2024
Unappropriated profit	16.1	<b>42,174</b>	39,072	<b>21,319</b>	20,684
General reserves	16.2	<b>1,054</b>	1,246	<b>1,404</b>	1,415
Cash flow and other hedge reserves	16.3	<b>81</b>	171	<b>47</b>	136
Currency translation reserves	16.4	<b>(2,636)</b>	(2,107)	<b>(359)</b>	(303)
Own credit reserves		<b>(4)</b>	(3)	<b>(4)</b>	(3)
<b>At 31 December</b>		<b>40,669</b>	38,379	<b>22,407</b>	21,929

## 16. Revenue Reserves (continued)

### 16.1 Unappropriated Profit

\$ million	GROUP		BANK	
	2025	2024	2025	2024
Profit attributable to equity holders of the Bank	7,422	7,587	5,099	6,861
Add:				
Unappropriated profit at 1 January	39,072	35,549	20,684	17,735
Total amount available for appropriation	46,494	43,136	25,783	24,596
Appropriated as follows:				
Ordinary dividends:				
Final tax-exempt dividend of 41 cents paid for the previous financial year (2024: tax-exempt dividend of 42 cents)	(1,844)	(1,891)	(1,844)	(1,891)
Interim tax-exempt dividend of 41 cents paid for the current financial year (2024: tax-exempt dividend of 44 cents)	(1,843)	(1,978)	(1,843)	(1,978)
Special tax-exempt dividend of 16 cents paid for the previous financial year (2024: nil)	(720)	-	(720)	-
Distributions for other equity instruments:				
3.0% perpetual capital securities	(6)	(6)	(6)	(6)
3.9% perpetual capital securities	(20)	(20)	(20)	(20)
4.5% perpetual capital securities	(25)	(25)	(25)	(25)
4.05% perpetual capital securities	(18)	(13)	(18)	(13)
5.398% perpetual capital securities issued by subsidiary	(16)	-	-	-
Transfer from/(to):				
Capital reserves (Note 15)	70	(10)	-	-
Fair value reserves	91	72	2	13
General reserves (Note 16.2)	11	13	11	13
Changes in non-controlling interests	-	(201)	-	-
Others	(#)	(5)	(1)	(5)
	(4,320)	(4,064)	(4,464)	(3,912)
<b>At 31 December</b>	<b>42,174</b>	<b>39,072</b>	<b>21,319</b>	<b>20,684</b>

At the annual general meeting to be held, a final tax-exempt dividend of 42 cents per ordinary share and a special tax-exempt dividend of 16 cents per ordinary share in respect of the financial year ended 31 December 2025, totalling \$2,604 million, will be proposed. The dividends will be accounted for as a distribution in the 2026 financial statements.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 16. Revenue Reserves (continued)

### 16.2 General Reserves

\$ million	GROUP		BANK	
	2025	2024	2025	2024
<b>At 1 January</b>	<b>1,246</b>	1,317	<b>1,415</b>	1,412
DSP reserve from dividends on unvested shares	–	16	–	16
Net insurance financial result	<b>(181)</b>	(74)	–	–
Transfer to unappropriated profit (Note 16.1)	<b>(11)</b>	(13)	<b>(11)</b>	(13)
<b>At 31 December</b>	<b>1,054</b>	1,246	<b>1,404</b>	1,415

The general reserves have not been earmarked for any specific purpose, and include merger reserves arising from common control transactions, insurance finance reserves, as well as dividends on unvested shares under the DSP.

### 16.3 Cash Flow and Other Hedge Reserves

The cash flow hedge reserves comprise the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition of the hedged cash flows. The cash flow hedges principally consist of interest rate contracts that are used to hedge against the variability in cash flows of certain floating rate instruments.

Other hedge reserves comprise the forward element that is separated from a forward contract, where only the spot element is designated as the hedging instrument.

### 16.4 Currency Translation Reserves

\$ million	GROUP		BANK	
	2025	2024	2025	2024
<b>At 1 January</b>	<b>(2,107)</b>	(2,464)	<b>(303)</b>	(251)
Movements for the year	<b>(881)</b>	580	<b>(64)</b>	(46)
Net gain/(loss) from foreign currency net investment hedges	<b>352</b>	(223)	<b>8</b>	(6)
<b>At 31 December</b>	<b>(2,636)</b>	(2,107)	<b>(359)</b>	(303)

Currency translation reserves comprise differences arising from the translation of the net assets of foreign operations and the effective portion of the hedge against currency exposure in foreign operations.

Refer to Note 38.3 Currency risk – Structural foreign exchange risk for management of structural foreign exchange risk.

## 17. Deposits and Balances of Non-Bank Customers and Banks

\$ million	GROUP		BANK	
	2025	2024	2025	2024
<b>Deposits of non-bank customers</b>				
Current accounts	<b>111,441</b>	109,603	<b>75,697</b>	67,626
Savings deposits	<b>105,869</b>	81,150	<b>84,990</b>	69,644
Term deposits	<b>150,670</b>	149,082	<b>80,761</b>	76,013
Structured deposits	<b>15,470</b>	12,103	<b>4,297</b>	3,657
Certificate of deposit issued	<b>31,868</b>	22,253	<b>31,574</b>	22,235
Other deposits	<b>12,968</b>	16,496	<b>10,964</b>	14,000
	<b>428,286</b>	390,687	<b>288,283</b>	253,175
<b>Deposits and balances of banks</b>	<b>15,280</b>	11,565	<b>12,526</b>	8,951
	<b>443,566</b>	402,252	<b>300,809</b>	262,126

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 18. Derivative Financial Instruments

The derivative financial instruments shown in the following tables are held for both trading and hedging purposes. The contractual or underlying principal amounts of these derivative financial instruments and their corresponding gross positive (derivative receivables) and negative (derivative payables) fair values at the reporting date are analysed below.

GROUP (\$ million)	2025			2024		
	Principal notional amount	Derivative receivables	Derivative payables	Principal notional amount	Derivative receivables	Derivative payables
<b>Foreign exchange derivatives (FED)</b>						
Forwards	54,257	372	498	47,032	512	481
Swaps	639,427	5,336	6,163	593,655	8,309	7,274
OTC options	49,614	234	236	51,577	327	345
	<b>743,298</b>	<b>5,942</b>	<b>6,897</b>	<b>692,264</b>	<b>9,148</b>	<b>8,100</b>
<b>Interest rate derivatives (IRD)</b>						
Swaps	875,994	5,693	5,457	687,987	7,184	6,955
OTC options	15,643	8	36	14,903	29	102
Exchange traded options	51	–	#	–	–	–
Exchange traded futures	4,933	2	#	3,249	4	2
Others	2,089	69	88	114	2	1
	<b>898,710</b>	<b>5,772</b>	<b>5,581</b>	<b>706,253</b>	<b>7,219</b>	<b>7,060</b>
<b>Equity derivatives</b>						
Swaps	12,458	250	418	6,033	249	455
OTC options	20,144	532	652	12,404	336	362
Exchange traded futures	153	1	#	363	#	4
Others	32	#	1	59	#	3
	<b>32,787</b>	<b>783</b>	<b>1,071</b>	<b>18,859</b>	<b>585</b>	<b>824</b>
<b>Credit derivatives</b>						
Swaps – protection buyer	6,159	17	124	5,306	17	97
Swaps – protection seller	5,011	108	9	4,085	80	7
	<b>11,170</b>	<b>125</b>	<b>133</b>	<b>9,391</b>	<b>97</b>	<b>104</b>
<b>Other derivatives</b>						
Precious metals	4,439	177	160	2,330	22	23
OTC options	8,378	236	236	9,753	132	127
	<b>12,817</b>	<b>413</b>	<b>396</b>	<b>12,083</b>	<b>154</b>	<b>150</b>
<b>Total</b>	<b>1,698,782</b>	<b>13,035</b>	<b>14,078</b>	<b>1,438,850</b>	<b>17,203</b>	<b>16,238</b>

## 18. Derivative Financial Instruments (continued)

BANK (\$ million)	2025			2024		
	Principal notional amount	Derivative receivables	Derivative payables	Principal notional amount	Derivative receivables	Derivative payables
<b>Foreign exchange derivatives (FED)</b>						
Forwards	42,701	329	400	36,048	414	358
Swaps	542,079	4,703	5,477	449,489	5,958	5,099
OTC options	48,066	229	234	49,989	315	332
	<b>632,846</b>	<b>5,261</b>	<b>6,111</b>	<b>535,526</b>	<b>6,687</b>	<b>5,789</b>
<b>Interest rate derivatives (IRD)</b>						
Swaps	670,982	5,034	4,847	537,582	6,073	5,917
OTC options	15,336	8	35	14,653	29	101
Exchange traded options	51	–	#	–	–	–
Exchange traded futures	4,675	1	#	2,781	3	2
Others	1,911	68	88	93	1	#
	<b>692,955</b>	<b>5,111</b>	<b>4,970</b>	<b>555,109</b>	<b>6,106</b>	<b>6,020</b>
<b>Equity derivatives</b>						
Swaps	11,781	232	399	5,645	235	444
OTC options	19,879	534	657	11,925	327	362
Exchange traded futures	16	–	#	45	#	#
Others	32	#	1	59	#	3
	<b>31,708</b>	<b>766</b>	<b>1,057</b>	<b>17,674</b>	<b>562</b>	<b>809</b>
<b>Credit derivatives</b>						
Swaps – protection buyer	5,941	10	124	5,110	8	96
Swaps – protection seller	4,793	108	2	3,891	80	#
	<b>10,734</b>	<b>118</b>	<b>126</b>	<b>9,001</b>	<b>88</b>	<b>96</b>
<b>Other derivatives</b>						
Precious metals	3,496	152	135	1,874	17	19
OTC options	7,315	232	237	8,224	122	122
	<b>10,811</b>	<b>384</b>	<b>372</b>	<b>10,098</b>	<b>139</b>	<b>141</b>
<b>Total</b>	<b>1,379,054</b>	<b>11,640</b>	<b>12,636</b>	<b>1,127,408</b>	<b>13,582</b>	<b>12,855</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 19. Other Liabilities

\$ million	GROUP		BANK	
	2025	2024	2025	2024
Bills payable	579	348	469	277
Interest payable	1,855	1,940	1,357	1,286
Lease liabilities	254	234	75	49
Precious metal liabilities	2,950	1,055	960	17
Sundry creditors	4,375	3,839	1,443	1,547
Others	1,991	1,954	883	806
	<b>12,004</b>	<b>9,370</b>	<b>5,187</b>	<b>3,982</b>

At 31 December 2025, non-life insurance contract liabilities included in "Others" amounted to \$635 million (2024: \$618 million) for the Group.

## 20. Deferred Tax

\$ million	GROUP		BANK	
	2025	2024	2025	2024
At 1 January	303	50	(37)	(27)
Currency translation and others	22	(2)	15	(11)
Net charge/(credit) to income statement (Note 11)	58	152	(77)	30
Under/(over) provision in prior years	13	(42)	12	(31)
Net charge to equity	115	67	13	2
Net change in tax for life insurance funds	(9)	78	-	-
<b>At 31 December</b>	<b>502</b>	<b>303</b>	<b>(74)</b>	<b>(37)</b>

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

## 20. Deferred Tax (continued)

The deferred tax assets and liabilities are to be recovered and settled after one year and the following amounts, determined after appropriate offsetting, are shown in the balance sheets:

\$ million	GROUP		BANK	
	2025	2024	2025	2024
<b>Deferred tax liabilities</b>				
Accelerated tax depreciation	216	173	135	116
Unrealised gains on investments	355	47	15	18
Depreciable assets acquired in business combination	88	95	3	4
Provision for policy liabilities	424	514	–	–
Regulatory loss allowance reserve	37	58	37	58
Others	10	47	2	33
	1,130	934	192	229
Amount offset against deferred tax assets	(139)	(93)	(27)	(91)
	991	841	165	138
<b>Deferred tax assets</b>				
Allowances for impairment of assets	(383)	(349)	(171)	(163)
Tax losses	(99)	(129)	(48)	(61)
Unrealised losses on financial assets	(5)	(24)	(5)	(19)
Others	(141)	(129)	(42)	(23)
	(628)	(631)	(266)	(266)
Amount offset against deferred tax liabilities	139	93	27	91
	(489)	(538)	(239)	(175)
<b>Net deferred tax liabilities/(assets)</b>	<b>502</b>	<b>303</b>	<b>(74)</b>	<b>(37)</b>

Deferred income tax assets are recognised for tax losses carried forward only to the extent that realisation of the related tax benefit through future taxable profits is probable. At 31 December 2025, unutilised tax losses carried forward for which no deferred income tax has been recognised amounted to \$237 million (2024: \$118 million) for the Group, \$3 million (2024: \$3 million) for the Bank. These tax losses have no expiry date except for an amount of \$228 million (2024: \$108 million) which will expire between the years 2026 and 2030 (2024: years 2025 and 2041).

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 21. Debt Issued

\$ million	Note	GROUP		BANK	
		2025	2024	2025	2024
Subordinated debt	21.1	<b>3,551</b>	3,492	<b>2,899</b>	3,001
Fixed and floating rate notes	21.2	<b>4,689</b>	3,938	<b>3,867</b>	3,212
Commercial paper	21.3	<b>15,299</b>	17,867	<b>15,251</b>	17,852
Structured notes	21.4	<b>5,428</b>	4,833	<b>5,428</b>	4,833
Covered bonds	21.5	<b>1,515</b>	1,423	<b>1,515</b>	1,423
<b>Total debt issued</b>		<b>30,482</b>	31,553	<b>28,960</b>	30,321

### 21.1 Subordinated Debt

\$ million	Note	Issue date	Maturity date	GROUP	
				2025	2024
<b>Issued by the Bank:</b>					
USD1 billion 1.832% notes	(a)	10 Sep 2020	10 Sep 2030	–	1,326
USD0.75 billion 4.602% notes	(b)	15 Jun 2022	15 Jun 2032	<b>956</b>	990
USD0.50 billion 5.520% notes	(c)	21 May 2024	21 May 2034	<b>661</b>	685
USD1 billion 4.550% notes	(d)	8 Sep 2025	8 Sep 2035	<b>1,282</b>	–
				<b>2,899</b>	3,001
<b>Issued by The Great Eastern Life Assurance Company Limited:</b>					
SGD0.50 billion 3.928% notes	(e)	17 Apr 2024	17 Apr 2039	<b>497</b>	491
<b>Issued by Great Eastern Life Assurance (Malaysia) Berhad:</b>					
MYR0.10 billion 3.750% notes	(f)	18 Dec 2025	18 Dec 2035	<b>31</b>	–
MYR0.40 billion 3.850% notes	(g)	18 Dec 2025	18 Dec 2037	<b>124</b>	–
				<b>155</b>	–
<b>Total subordinated debt</b>				<b>3,551</b>	3,492

## 21. Debt Issued (continued)

### 21.1 Subordinated Debt (continued)

- (a) The subordinated notes are redeemable in whole at the option of the Bank on 10 September 2025. They can be written off in whole or in part if the MAS determines that the Bank would become non-viable. Interest is payable semi-annually on 10 March and 10 September each year at 1.832% per annum up to 10 September 2025, and thereafter at a fixed rate per annum equal to the then prevailing 5-year U.S. Treasury Rate plus 1.580% if the redemption option is not exercised. The Bank had entered into interest rate swaps to manage the risk of the subordinated notes and the cumulative fair value change of the risk hedged is included in the carrying amount. The subordinated notes qualify as Tier 2 capital for the Group. The subordinated notes were redeemed in whole on 10 September 2025.
- (b) The subordinated notes are redeemable in whole at the option of the Bank on 15 June 2027. They can be written off in whole or in part if the MAS determines that the Bank would become non-viable. Interest is payable semi-annually on 15 June and 15 December each year at 4.602% per annum up to 15 June 2027, and thereafter at a fixed rate per annum equal to the then prevailing 5-year U.S. Treasury Rate plus 1.575% if the redemption option is not exercised. The Bank had entered into interest rate swaps to manage the risk of the subordinated notes and the cumulative fair value change of the risk hedged is included in the carrying amount. The subordinated notes qualify as Tier 2 capital for the Group.
- (c) The subordinated notes are redeemable in whole at the option of the Bank on 21 May 2029. They can be written off in whole or in part if the MAS determines that the Bank would become non-viable. Interest is payable semi-annually on 21 May and 21 November each year at 5.520% per annum up to 21 May 2029, and thereafter at a fixed rate per annum equal to the then prevailing 5-year U.S. Treasury Rate plus 1.030% if the redemption option is not exercised. The Bank had entered into interest rate swaps to manage the risk of the subordinated notes and the cumulative fair value change of the risk hedged is included in the carrying amount. The subordinated notes qualify as Tier 2 capital for the Group.
- (d) The subordinated notes are redeemable in whole at the option of the Bank on 8 September 2030. They can be written off in whole or in part if the MAS determines that the Bank would become non-viable. Interest is payable semi-annually on 8 March and 8 September each year at 4.550% per annum up to 8 September 2030, and thereafter at a fixed rate per annum equal to the then prevailing 5-year U.S. Treasury Rate plus 0.800% if the redemption option is not exercised. The Bank had entered into interest rate swaps to manage the risk of the subordinated notes and the cumulative fair value change of the risk hedged is included in the carrying amount. The subordinated notes qualify as Tier 2 capital for the Group.
- (e) The subordinated notes are redeemable in whole at the option of The Great Eastern Life Assurance Company Limited on 17 April 2034. Interest is payable semi-annually on 17 April and 17 October each year at 3.928% per annum up to 16 April 2034, and thereafter at a fixed rate per annum equal to the then prevailing 5-year SORA-OIS benchmark rate plus 0.731% if the redemption option is not exercised. The subordinated notes qualify as Tier 2 capital for The Great Eastern Life Assurance Company Limited.
- (f) The subordinated notes are redeemable in whole at the option of Great Eastern Life Assurance (Malaysia) Berhad (GELM) on 18 December 2030. Interest is payable semi-annually on 18 June and 18 December each year at 3.750% per annum up to 18 December 2035, if the redemption option is not exercised. The subordinated notes qualify as Tier 2 capital for GELM.
- (g) The subordinated notes are redeemable in whole at the option of GELM on 17 December 2032. Interest is payable semi-annually on 18 June and 18 December each year at 3.850% per annum up to 18 December 2037, if the redemption option is not exercised. The subordinated notes qualify as Tier 2 capital for GELM.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 21. Debt Issued (continued)

### 21.2 Fixed and Floating Rate Notes

\$ million	Note	Issue date	Maturity date	GROUP	
				2025	2024
<b>Issued by the Bank:</b>					
AUD700 million floating rate notes	(a)	14 Apr 2022	14 Apr 2025	–	592
AUD500 million floating rate notes	(a)	11 Aug 2022	11 Aug 2025	–	423
AUD200 million floating rate notes	(a)	21 Nov 2023	21 Mar 2025	–	169
AUD200 million floating rate notes	(a)	18 Jun 2024	18 Jun 2025	–	169
AUD1,000 million floating rate notes	(b)	18 May 2023	18 May 2026	859	845
AUD500 million floating rate notes	(b)	8 Mar 2024	8 Mar 2027	430	423
AUD500 million floating rate notes	(b)	27 Aug 2024	27 Aug 2027	430	422
AUD200 million floating rate notes	(b)	25 Nov 2024	25 Sep 2026	172	169
AUD1,000 million floating rate notes	(b)	14 Jan 2025	14 Jan 2028	859	–
AUD300 million floating rate notes	(b)	18 Jun 2025	21 Jul 2026	258	–
AUD1,000 million floating rate notes	(b)	14 Aug 2025	14 Aug 2028	859	–
				<b>3,867</b>	<b>3,212</b>
<b>Issued by Pac Lease Berhad:</b>					
MYR50 million 4.15% fixed rate notes	(a)	27 Jul 2023	29 Jul 2025	–	15
MYR45 million 4.15% fixed rate notes	(a)	3 Aug 2023	5 Aug 2025	–	14
MYR30 million 4.34% fixed rate notes	(a)	21 Mar 2023	21 Mar 2025	–	9
MYR70 million 4.50% fixed rate notes	(c)	21 Mar 2023	19 Mar 2026	22	21
MYR100 million 4.35% fixed rate notes	(c)	26 Apr 2023	24 Apr 2026	31	31
MYR50 million 4.25% fixed rate notes	(c)	2 Aug 2023	4 Aug 2026	16	15
MYR90 million 3.80% fixed rate notes	(c)	25 Sep 2024	25 Sep 2026	28	28
MYR50 million 3.80% fixed rate notes	(c)	10 Oct 2024	9 Oct 2026	16	15
MYR50 million 3.80% fixed rate notes	(c)	22 Oct 2024	22 Oct 2026	16	15
MYR40 million 3.83% fixed rate notes	(c)	11 Apr 2025	11 Apr 2028	13	–
MYR50 million 3.63% fixed rate notes	(c)	30 Sep 2025	29 Sep 2028	16	–
MYR110 million 3.59% fixed rate notes	(c)	31 Oct 2025	31 Oct 2028	35	–
				<b>193</b>	<b>163</b>
<b>Issued by OCBC Bank Limited:</b>					
CNY710 million 2.99% fixed rate bonds	(a)	30 May 2022	30 May 2025	–	133
CNY470 million 3.24% fixed rate bonds	(a)	17 Nov 2022	17 Nov 2025	–	88
CNY450 million 2.88% fixed rate bonds	(d)	17 Aug 2023	17 Aug 2026	83	85
CNY1,300 million 2.40% fixed rate bonds	(d)	30 May 2024	30 May 2027	239	242
CNY960 million 1.95% fixed rate bonds	(d)	16 Jan 2025	16 Jan 2028	176	–
				<b>498</b>	<b>548</b>
<b>Issued by PT Bank OCBC NISP Tbk:</b>					
IDR749 billion 6.25% fixed rate notes	(e)	3 Jul 2025	13 Jul 2026	58	–
IDR538 billion 6.45% fixed rate notes	(e)	3 Jul 2025	3 Jul 2028	41	–
IDR214 billion 6.55% fixed rate notes	(e)	3 Jul 2025	3 Jul 2030	16	–
				<b>115</b>	<b>–</b>
<b>Issued by Great Eastern Capital (Malaysia) Sdn Bhd:</b>					
MYR50 million 4.58% fixed rate notes	(c)	25 Apr 2024	25 Apr 2029	16	15
<b>Total fixed and floating rate notes</b>				<b>4,689</b>	<b>3,938</b>

(a) The notes and bonds were fully redeemed on their respective maturity/cancellation dates.

(b) Interest is payable quarterly at the 3-month Bank Bill Swap reference rate plus from 0.36% to 0.82% per annum.

(c) Interest is payable semi-annually.

(d) Interest is payable annually.

(e) Interest is payable quarterly.

## 21. Debt Issued (continued)

### 21.3 Commercial Paper

\$ million	GROUP	
	2025	2024
Issued by the Bank	15,251	17,852
Issued by subsidiary	48	15
	15,299	17,867

The Bank issued the commercial paper under its USD10 billion Euro Commercial Paper (ECP) programme and USD25 billion US Commercial Paper (USCP) programme. The notes outstanding as at 31 December 2025 (2024: 31 December 2024) were issued between 13 February 2025 (2024: 27 June 2024) and 24 December 2025 (2024: 27 December 2024), and mature between 2 January 2026 (2024: 2 January 2025) and 2 October 2026 (2024: 4 June 2025). The commercial papers are zero-coupon papers, or floating coupon rate papers pegged to monthly or quarterly market rates.

### 21.4 Structured Notes

\$ million	Issue date	Maturity date	GROUP	
			2025	2024
<b>Issued by the Bank:</b>				
Credit Linked Notes	1 Oct 12 – 30 Dec 25	5 Jan 26 – 31 Dec 30	963	939
Index Linked Notes	23 Oct 24 – 11 Dec 25	12 Jan 26 – 22 Oct 27	11	24
Fixed Rate Notes	9 Oct 12 – 12 Jan 26	12 Jan 26 – 28 Dec 37	1,354	559
Bond Linked Notes	24 Apr 18 – 13 Jan 26	2 Jan 26 – 2 Jan 36	973	1,467
Participation Notes	26 Sep 22 – 30 Dec 25	27 Jan 26 – Perpetual	1,258	1,272
Equity Linked Notes	13 May 22 – 13 Jan 26	2 Jan 26 – 19 May 27	636	410
Fund Linked Notes	29 Oct 19 – 15 Dec 25	19 Mar 26 – 21 Feb 31	233	162
			5,428	4,833

The structured notes were issued by the Bank under its Structured Note and Global Medium Term Notes Programmes and were measured at amortised cost, except for \$963 million (2024: \$939 million) included under credit linked notes, \$1,251 million included under fixed rate notes (2024: \$450 million), \$1 million included under equity linked notes (2024: nil), \$973 million (2024: \$1,467 million) included under bond linked notes, \$11 million (2024: \$21 million) included under index linked notes, \$128 million (2024: \$38 million) included under fund linked notes and \$1,224 million (2024: \$442 million) included under participation notes as at 31 December 2025 which were measured at fair value through profit or loss.

In accordance with SFRS(I) 9, to the extent that the underlying economic characteristics and risks of the embedded derivatives were not closely related to the economic characteristics and risks of the host contract, and where such embedded derivatives would meet the definition of a derivative, the Group bifurcated such embedded derivatives and recognised these separately from the host contracts. The bifurcated embedded derivatives were fair valued through profit or loss, and were included as part of the Group's derivatives in the financial statements.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 21. Debt Issued (continued)

### 21.5 Covered Bonds

\$ million	Issue date	Maturity date	GROUP	
			2025	2024
<b>Issued by the Bank:</b>				
EUR500 million 0.625% fixed rate bonds	18 Apr 2018	18 Apr 2025	–	701
EUR500 million 3.290% fixed rate bonds	11 Jun 2024	11 Jun 2027	<b>763</b>	722
EUR500 million 2.481% fixed rate bonds	10 Apr 2025	10 Apr 2028	<b>752</b>	–
			<b>1,515</b>	1,423

The covered bonds were issued by the Bank under its USD10 billion Global Covered Bond Programme. The Covered Bond Guarantor, Red Sail Pte. Ltd., guarantees the payments of interest and principal. The guarantee is secured by a portfolio of Singapore housing loans transferred from OCBC Bank to Red Sail Pte. Ltd. (Note 45.2). Interest for the EUR covered bonds is payable annually and in arrear.

### 21.6 Reconciliation of Movements of Liabilities to Cash Flows Arising from Financing Activities

GROUP (\$ million)	Subordinated debt	Fixed and floating rate notes	Commercial paper	Structured notes	Covered bonds	Total
<b>At 1 January 2024</b>	3,499	4,191	14,418	3,747	698	26,553
Cash flows	(187)	(53)	2,672	1,211	727	4,370
Non-cash changes						
Currency translation	112	(199)	485	71	(3)	466
Others	68	(1)	292	(196)	1	164
<b>At 31 December 2024/1 January 2025</b>	<b>3,492</b>	<b>3,938</b>	<b>17,867</b>	<b>4,833</b>	<b>1,423</b>	<b>31,553</b>
Cash flows	154	702	(2,016)	770	(14)	(404)
Non-cash changes						
Currency translation	(171)	49	(632)	(213)	105	(862)
Others	76	(#)	80	38	1	195
<b>At 31 December 2025</b>	<b>3,551</b>	<b>4,689</b>	<b>15,299</b>	<b>5,428</b>	<b>1,515</b>	<b>30,482</b>

## 22. Assets and Liabilities for Life Insurance Funds

\$ million	GROUP	
	2025	2024
<b>Insurance contract liabilities and other liabilities for life insurance funds</b>		
Insurance contract liabilities	107,185	100,680
Reinsurance contract liabilities	106	142
Others	2,108	2,110
	<b>109,399</b>	<b>102,932</b>
<b>Other assets for life insurance funds</b>		
Deposits with banks and financial institutions	2,763	2,281
Loans	1,225	1,014
Investment property	2,094	1,939
Reinsurance contract assets	1,405	829
Insurance contract assets	101	68
Others <sup>(1)</sup>	1,870	1,708
	<b>9,458</b>	<b>7,839</b>
<b>Investment securities for life insurance funds</b>	<b>100,151</b>	<b>94,452</b>
	<b>109,609</b>	<b>102,291</b>
<b>Balances for life insurance funds included under the following balance sheet items:</b>		
<b>Liabilities</b>		
Current tax	376	211
Deferred tax	494	416
Other liabilities	38	47
<b>Assets</b>		
Cash and placements with central banks	#	#
Placements with and loans to banks	1,441	1,314
Property, plant and equipment and intangible assets	638	679
Deferred tax assets	–	8

<sup>(1)</sup> Others mainly comprise interest receivable, deposits collected, prepayments, investment debtors and sundry debtors.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 22. Assets and Liabilities for Life Insurance Funds (continued)

### 22.1 Reconciliation of the Liability for Remaining Coverage and Liability for Incurred Claims for Life Insurance

\$ million	2025						Total
	Liabilities for remaining coverage		Liabilities for incurred claim				
	Excluding loss component	Loss component	Contracts not under PAA	Contracts under PAA			
			Estimates of the present value of future cash flows	Risk adjustment			
Insurance contract liabilities at 1 January	91,866	707	8,233	(127)	1	100,680	
Insurance contract assets at 1 January	(70)	20	(18)	–	–	(68)	
<b>Net insurance contract liabilities/(assets) at 1 January</b>	<b>91,796</b>	<b>727</b>	<b>8,215</b>	<b>(127)</b>	<b>1</b>	<b>100,612</b>	
<b>Insurance revenue</b>							
Contracts under modified retrospective approach	(1,005)	–	–	–	–	(1,005)	
Contracts under fair value transition approach	(3,024)	–	–	–	–	(3,024)	
Other contracts	(2,437)	–	–	–	–	(2,437)	
	(6,466)	–	–	–	–	(6,466)	
<b>Insurance service expenses</b>							
Incurred claims and other expenses	(40)	(338)	4,667	177	4	4,470	
Amortisation of insurance acquisition cash flows	631	–	–	–	–	631	
Losses on onerous contracts and reversal of those losses	–	462	–	–	–	462	
Changes to liabilities for incurred claims	–	–	71	–	–	71	
	591	124	4,738	177	4	5,634	
<b>Insurance service result</b>	<b>(5,875)</b>	<b>124</b>	<b>4,738</b>	<b>177</b>	<b>4</b>	<b>(832)</b>	
<b>Finance expenses from insurance contracts issued</b>	<b>7,302</b>	<b>11</b>	<b>265</b>	<b>–</b>	<b>–</b>	<b>7,578</b>	
<b>Effect of movements in exchange rates</b>	<b>883</b>	<b>12</b>	<b>198</b>	<b>1</b>	<b>–</b>	<b>1,094</b>	
<b>Total changes in the income statement and OCI</b>	<b>2,310</b>	<b>147</b>	<b>5,201</b>	<b>178</b>	<b>4</b>	<b>7,840</b>	
Investment components	(8,853)	–	8,853	–	–	–	
<b>Cash flows</b>							
Premiums received	13,724	–	–	–	–	13,724	
Claims and other expenses paid	–	–	(13,428)	(83)	–	(13,511)	
Insurance acquisition cash flows	(1,712)	–	–	–	–	(1,712)	
<b>Total cash flows</b>	<b>12,012</b>	<b>–</b>	<b>(13,428)</b>	<b>(83)</b>	<b>–</b>	<b>(1,499)</b>	
<b>Other movements</b>	<b>(293)</b>	<b>–</b>	<b>316</b>	<b>108</b>	<b>–</b>	<b>131</b>	
<b>Net insurance contract liabilities/(assets) at 31 December</b>	<b>96,972</b>	<b>874</b>	<b>9,157</b>	<b>76</b>	<b>5</b>	<b>107,084</b>	
Insurance contract liabilities at 31 December	97,075	845	9,184	76	5	107,185	
Insurance contract assets at 31 December	(103)	29	(27)	–	–	(101)	
<b>Net insurance contract liabilities/(assets) at 31 December</b>	<b>96,972</b>	<b>874</b>	<b>9,157</b>	<b>76</b>	<b>5</b>	<b>107,084</b>	

## 22. Assets and Liabilities for Life Insurance Funds (continued)

### 22.1 Reconciliation of the Liability for Remaining Coverage and Liability for Incurred Claims for Life Insurance (continued)

\$ million	2024					
	Liabilities for remaining coverage		Liabilities for incurred claim			
	Excluding loss component	Loss component	Contracts not under PAA	Contracts under PAA		Total
Estimates of the present value of future cash flows				Risk adjustment		
Insurance contract liabilities at 1 January	89,709	466	7,211	–	–	97,386
Insurance contract assets at 1 January	(33)	31	(10)	–	–	(12)
<b>Net insurance contract liabilities/(assets) at 1 January</b>	<b>89,676</b>	<b>497</b>	<b>7,201</b>	<b>–</b>	<b>–</b>	<b>97,374</b>
<b>Insurance revenue</b>						
Contracts under modified retrospective approach	(1,073)	–	–	–	–	(1,073)
Contracts under fair value transition approach	(3,002)	–	–	–	–	(3,002)
Other contracts	(1,670)	–	(247)	(188)	–	(2,105)
	(5,745)	–	(247)	(188)	–	(6,180)
<b>Insurance service expenses</b>						
Incurred claims and other expenses	–	(330)	4,570	147	–	4,387
Amortisation of insurance acquisition cash flows	588	–	–	–	–	588
Losses on onerous contracts and reversal of those losses	–	561	–	–	–	561
Changes to liabilities for incurred claims	–	–	124	40	1	165
	588	231	4,694	187	1	5,701
<b>Insurance service result</b>	<b>(5,157)</b>	<b>231</b>	<b>4,447</b>	<b>(1)</b>	<b>1</b>	<b>(479)</b>
<b>Finance expenses from insurance contracts issued</b>						
	5,672	6	232	–	–	5,910
<b>Effect of movements in exchange rates</b>	<b>1,266</b>	<b>8</b>	<b>333</b>	<b>–</b>	<b>–</b>	<b>1,607</b>
<b>Total changes in the income statement and OCI</b>	<b>1,781</b>	<b>245</b>	<b>5,012</b>	<b>(1)</b>	<b>1</b>	<b>7,038</b>
Investment components	(14,293)	–	14,293	–	–	–
<b>Cash flows</b>						
Premiums received	16,532	–	–	–	–	16,532
Claims and other expenses paid	–	–	(18,522)	(36)	–	(18,558)
Insurance acquisition cash flows	(1,630)	–	–	–	–	(1,630)
<b>Total cash flows</b>	<b>14,902</b>	<b>–</b>	<b>(18,522)</b>	<b>(36)</b>	<b>–</b>	<b>(3,656)</b>
<b>Other movements</b>	<b>(270)</b>	<b>(15)</b>	<b>231</b>	<b>(90)</b>	<b>–</b>	<b>(144)</b>
<b>Net insurance contract liabilities/(assets) at 31 December</b>	<b>91,796</b>	<b>727</b>	<b>8,215</b>	<b>(127)</b>	<b>1</b>	<b>100,612</b>
Insurance contract liabilities at 31 December	91,866	707	8,233	(127)	1	100,680
Insurance contract assets at 31 December	(70)	20	(18)	–	–	(68)
<b>Net insurance contract liabilities/(assets) at 31 December</b>	<b>91,796</b>	<b>727</b>	<b>8,215</b>	<b>(127)</b>	<b>1</b>	<b>100,612</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 22. Assets and Liabilities for Life Insurance Funds (continued)

### 22.2 Reconciliation of the Measurement Components of Insurance Contract Balances for Life Insurance – Contracts Not Measured Under the PAA

\$ million	2025				2024			
	Estimates of the present value of future cash flows	Risk adjustment	CSM	Total	Estimates of the present value of future cash flows	Risk adjustment	CSM	Total
Insurance contract liabilities at 1 January	89,434	4,498	6,654	100,586	86,476	4,154	6,756	97,386
Insurance contract assets at 1 January	(280)	119	93	(68)	(247)	124	111	(12)
<b>Net insurance contract liabilities/(assets) at 1 January</b>	<b>89,154</b>	<b>4,617</b>	<b>6,747</b>	<b>100,518</b>	<b>86,229</b>	<b>4,278</b>	<b>6,867</b>	<b>97,374</b>
<b>Changes that relate to current services</b>								
CSM recognised for services provided	–	–	(669)	(669)	–	–	(728)	(728)
Risk adjustment recognised for the risk expired	–	(647)	–	(647)	–	(574)	–	(574)
Experience adjustments	(54)	–	–	(54)	112	–	–	112
<b>Changes that relate to future services</b>								
Contracts initially recognised in the year	(941)	657	606	322	(1,009)	703	527	221
Changes in estimates that adjust the CSM	(19)	343	(324)	–	338	(85)	(253)	–
Changes that result in onerous losses or reversal of such losses	75	66	–	141	302	17	–	319
<b>Changes that relate to past services</b>								
Adjustments to liabilities for incurred claims	69	6	–	75	170	1	–	171
<b>Insurance service result</b>	<b>(870)</b>	<b>425</b>	<b>(387)</b>	<b>(832)</b>	<b>(87)</b>	<b>62</b>	<b>(454)</b>	<b>(479)</b>
<b>Finance expenses from insurance contract issued</b>								
	7,159	284	135	7,578	5,654	100	156	5,910
<b>Effect of movements in foreign exchange rates</b>	<b>829</b>	<b>135</b>	<b>127</b>	<b>1,091</b>	<b>1,245</b>	<b>177</b>	<b>185</b>	<b>1,607</b>
<b>Total changes in the income statement and OCI</b>	<b>7,118</b>	<b>844</b>	<b>(125)</b>	<b>7,837</b>	<b>6,812</b>	<b>339</b>	<b>(113)</b>	<b>7,038</b>
<b>Cash flows</b>								
Premiums received	13,670	–	–	13,670	16,430	–	–	16,430
Claims and other expenses paid	(13,428)	–	–	(13,428)	(18,522)	–	–	(18,522)
Insurance acquisition cash flows	(1,712)	–	–	(1,712)	(1,629)	–	–	(1,629)
<b>Total cash flows</b>	<b>(1,470)</b>	<b>–</b>	<b>–</b>	<b>(1,470)</b>	<b>(3,721)</b>	<b>–</b>	<b>–</b>	<b>(3,721)</b>
<b>Other movements</b>	<b>46</b>	<b>38</b>	<b>59</b>	<b>143</b>	<b>(166)</b>	<b>(#)</b>	<b>(7)</b>	<b>(173)</b>
<b>Net insurance contract liabilities at 31 December</b>	<b>94,848</b>	<b>5,499</b>	<b>6,681</b>	<b>107,028</b>	<b>89,154</b>	<b>4,617</b>	<b>6,747</b>	<b>100,518</b>
Insurance contract liabilities at 31 December	95,186	5,364	6,580	107,130	89,434	4,498	6,654	100,586
Insurance contract assets at 31 December	(338)	135	101	(102)	(280)	119	93	(68)
<b>Net insurance contract liabilities at 31 December</b>	<b>94,848</b>	<b>5,499</b>	<b>6,681</b>	<b>107,028</b>	<b>89,154</b>	<b>4,617</b>	<b>6,747</b>	<b>100,518</b>

## 22. Assets and Liabilities for Life Insurance Funds (continued)

### 22.3 Impact of Life Insurance Contracts Recognised During the Year

\$ million	Contracts issued					
	2025			2024		
	Non-onerous	Onerous	Total	Non-onerous	Onerous	Total
Claims and other directly attributable expenses	8,892	2,246	11,138	7,295	6,757	14,052
Insurance acquisition cash flows	1,549	238	1,787	1,377	271	1,648
Estimates of present value of future cash outflows	10,441	2,484	12,925	8,672	7,028	15,700
Estimates of present value of future cash inflows	(11,470)	(2,396)	(13,866)	(9,678)	(7,031)	(16,709)
Risk adjustment	423	234	657	479	224	703
CSM	606	–	606	527	–	527
<b>Increase in insurance contract liabilities from contracts recognised during the year</b>	–	322	322	–	221	221

### 22.4 Amounts Determined on Transition to SFRS(I) 17

GEH Group's transition approaches applied at the date of transition to SFRS(I) 17 on 1 January 2022 continue to impact how the CSM balance as at 31 December 2025 and 31 December 2024 has been determined. An analysis of the CSM by transition method is set out in the following table:

\$ million	2025				2024			
	Contracts using the modified retrospective approach	Contracts using the fair value approach	All other contracts	Total	Contracts using the modified retrospective approach	Contracts using the fair value approach	All other contracts	Total
	<b>CSM at 1 January</b>	2,089	2,435	2,223	6,747	2,444	2,816	1,607
Changes that relate to current services								
– CSM recognised for services provided	(203)	(267)	(199)	(669)	(241)	(289)	(198)	(728)
Changes that relate to future services								
– Contracts initially recognised in the period	–	–	606	606	–	–	527	527
– Changes in estimates that adjust the CSM	(146)	(254)	76	(324)	(322)	(144)	213	(253)
<b>Insurance service result</b>	(349)	(521)	483	(387)	(563)	(433)	542	(454)
<b>Finance expenses from insurance contract issued</b>	68	12	55	135	87	26	43	156
<b>Effect of movements in exchange rates</b>	67	14	46	127	122	26	37	185
<b>Total changes in the income statement or OCI</b>	(214)	(495)	584	(125)	(354)	(381)	622	(113)
Other movements	(1)	70	(10)	59	(1)	–	(6)	(7)
<b>CSM at 31 December</b>	1,874	2,010	2,797	6,681	2,089	2,435	2,223	6,747

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 22. Assets and Liabilities for Life Insurance Funds (continued)

### 22.5 Expected Recognition of the Contractual Service Margin for Life Insurance Contracts Issued

\$ million	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total
<b>2025</b>							
Life insurance contracts issued	541	485	441	403	362	4,449	6,681
<b>2024</b>							
Life insurance contracts issued	580	510	469	430	388	4,370	6,747

## 23. Cash and Placements with Central Banks

\$ million	GROUP		BANK	
	2025	2024	2025	2024
Cash on hand	594	719	342	407
Non-restricted balances with central banks	23,954	28,110	22,227	26,103
<b>Cash and cash equivalents</b>	<b>24,548</b>	<b>28,829</b>	<b>22,569</b>	<b>26,510</b>
Restricted balances with central banks – mandatory reserve deposits	6,213	5,774	4,531	4,019
<b>Gross cash and placements with central banks</b>	<b>30,761</b>	<b>34,603</b>	<b>27,100</b>	<b>30,529</b>
Allowances for non-impaired placements with central banks	(5)	(4)	(5)	(4)
<b>Net cash and placements with central banks</b>	<b>30,756</b>	<b>34,599</b>	<b>27,095</b>	<b>30,525</b>

## 24. Government Treasury Bills and Securities

\$ million	GROUP		BANK	
	2025	2024	2025	2024
Singapore government treasury bills and securities	21,506	14,316	20,451	13,182
Other government treasury bills and securities	44,898	30,369	22,681	11,196
<b>Total government treasury bills and securities</b>	<b>66,404</b>	<b>44,685</b>	<b>43,132</b>	<b>24,378</b>

## 25. Placements with and Loans to Banks

\$ million	GROUP		BANK	
	2025	2024	2025	2024
Certificates of deposit held	19,395	21,897	11,531	16,414
Placements with and loans to banks	12,399	13,715	9,314	10,308
Market bills purchased	1,333	955	1,333	955
Reverse repos	3,379	4,529	3,375	4,499
<b>Balances with banks</b>	<b>36,506</b>	<b>41,096</b>	<b>25,553</b>	<b>32,176</b>
Bank balances for life insurance funds	1,441	1,314	–	–
<b>Gross placements with and loans to banks</b>	<b>37,947</b>	<b>42,410</b>	<b>25,553</b>	<b>32,176</b>
Allowances for non-impaired placements with and loans to banks	(5)	(3)	(5)	(2)
<b>Net placements with and loans to banks</b>	<b>37,942</b>	<b>42,407</b>	<b>25,548</b>	<b>32,174</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 26. Loans to Customers

\$ million	GROUP		BANK	
	2025	2024	2025	2024
<b>Gross loans</b>	<b>341,120</b>	319,166	<b>248,305</b>	229,814
<b>Allowances</b>				
Impaired loans (Note 28)	(1,577)	(1,278)	(677)	(484)
Non-impaired loans (Note 30)	(2,851)	(2,792)	(1,826)	(1,732)
<b>Net loans</b>	<b>336,692</b>	315,096	<b>245,802</b>	227,598

### 26.1 Analysed by Product

Overdrafts	4,848	5,226	376	381
Short-term and revolving loans	73,833	67,105	43,011	41,339
Syndicated and term loans	151,661	144,799	122,380	116,049
Housing and commercial property loans	79,393	76,103	60,600	54,649
Car, credit card and share margin loans	6,060	5,378	4,694	3,821
Bills receivable	4,596	4,211	4,303	3,359
Others	20,729	16,344	12,941	10,216
	<b>341,120</b>	319,166	<b>248,305</b>	229,814

### 26.2 Analysed by Industry

Agriculture, mining and quarrying	6,402	7,523	4,493	5,365
Manufacturing	18,241	15,033	9,706	6,957
Building and construction	95,289	93,924	79,151	77,963
Housing loans	72,591	68,358	57,813	52,222
General commerce	34,504	31,053	26,572	23,277
Transport, storage and communication	23,589	21,327	19,370	18,284
Financial institutions, investment and holding companies	28,671	27,601	10,220	10,499
Professionals and individuals	36,834	32,679	21,457	18,540
Others	24,999	21,668	19,523	16,707
	<b>341,120</b>	319,166	<b>248,305</b>	229,814

## 27. Non-Performing Assets

Non-performing assets (NPAs) comprise non-performing loans, debt securities and contingents that are classified as Substandard, Doubtful and Loss in accordance with MAS Notice 612.

\$ million	Substandard	Doubtful	Loss	Total
<b>GROUP</b>				
<b>2025</b>				
Classified loans	571	2,184	474	3,229
Classified debt securities	–	–	–	–
Classified contingents	2	7	5	14
<b>Total classified assets</b>	<b>573</b>	<b>2,191</b>	<b>479</b>	<b>3,243</b>
Allowances for impaired assets	(80)	(1,309)	(188)	(1,577)
<b>Net classified assets</b>	<b>493</b>	<b>882</b>	<b>291</b>	<b>1,666</b>
<b>2024</b>				
Classified loans	632	1,678	517	2,827
Classified debt securities	–	–	–	–
Classified contingents	24	7	11	42
<b>Total classified assets</b>	<b>656</b>	<b>1,685</b>	<b>528</b>	<b>2,869</b>
Allowances for impaired assets	(83)	(987)	(210)	(1,280)
<b>Net classified assets</b>	<b>573</b>	<b>698</b>	<b>318</b>	<b>1,589</b>
<b>BANK</b>				
<b>2025</b>				
Classified loans	38	964	87	1,089
Classified debt securities	–	–	–	–
Classified contingents	–	6	#	6
<b>Total classified assets</b>	<b>38</b>	<b>970</b>	<b>87</b>	<b>1,095</b>
Allowances for impaired assets	(#)	(668)	(9)	(677)
<b>Net classified assets</b>	<b>38</b>	<b>302</b>	<b>78</b>	<b>418</b>
<b>2024</b>				
Classified loans	147	556	117	820
Classified debt securities	–	–	–	–
Classified contingents	11	7	–	18
<b>Total classified assets</b>	<b>158</b>	<b>563</b>	<b>117</b>	<b>838</b>
Allowances for impaired assets	(3)	(471)	(10)	(484)
<b>Net classified assets</b>	<b>155</b>	<b>92</b>	<b>107</b>	<b>354</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 27. Non-Performing Assets (continued)

\$ million	GROUP		BANK	
	2025	2024	2025	2024
<b>27.1 Analysed by Period Overdue</b>				
Over 180 days	1,494	1,002	551	447
Over 90 days to 180 days	199	141	39	42
30 days to 90 days	232	287	35	33
Less than 30 days	253	755	49	38
No overdue	1,065	684	421	278
	<b>3,243</b>	<b>2,869</b>	<b>1,095</b>	<b>838</b>

<b>27.2 Analysed by Collateral Type</b>				
Property	1,557	1,583	188	209
Fixed deposit	3	20	2	12
Stock and shares	3	1	2	–
Motor vehicles	6	3	5	1
Secured – Others	151	104	38	46
Unsecured – Corporate and other guarantees	987	681	607	404
Unsecured – Clean	536	477	253	166
	<b>3,243</b>	<b>2,869</b>	<b>1,095</b>	<b>838</b>

<b>27.3 Analysed by Industry</b>				
Agriculture, mining and quarrying	5	35	#	30
Manufacturing	308	351	24	41
Building and construction	1,746	1,296	659	281
Housing loans	341	420	98	139
General commerce	231	266	17	25
Transport, storage and communication	74	113	60	100
Financial institutions, investment and holding companies	222	67	–	–
Professionals and individuals	100	107	42	25
Others	216	214	195	197
	<b>3,243</b>	<b>2,869</b>	<b>1,095</b>	<b>838</b>

## 27.4 Restructured/Renegotiated Loans

Non-performing restructured loans by loan classification and the related allowances are shown below. The restructured loans as a percentage of total non-performing loans were 15.2% (2024: 21.5%) and 21.9% (2024: 36.5%) for the Group and the Bank respectively.

\$ million	2025		2024	
	Amount	Allowance	Amount	Allowance
<b>GROUP</b>				
Substandard	64	35	154	59
Doubtful	391	280	405	325
Loss	37	24	50	32
	<b>492</b>	<b>339</b>	<b>609</b>	<b>416</b>
<b>BANK</b>				
Substandard	1	–	69	13
Doubtful	234	132	227	163
Loss	3	#	3	#
	<b>238</b>	<b>132</b>	<b>299</b>	<b>176</b>

## 28. Allowances for Impaired Loans to Customers

\$ million	GROUP		BANK	
	2025	2024	2025	2024
<b>At 1 January</b>	<b>1,278</b>	1,328	<b>484</b>	620
Currency translation and other movements	(74)	46	(24)	2
Net write-offs <sup>(1)</sup>	(113)	(499)	(88)	(271)
Net allowances (Note 10)	<b>486</b>	403	<b>305</b>	133
<b>At 31 December</b> (Note 26)	<b>1,577</b>	1,278	<b>677</b>	484

(1) Comprise mainly bad debts written off for the Group and the Bank of \$182 million and \$102 million (2024: \$569 million and \$299 million) respectively, and bad debts recovered for the Group and the Bank of \$69 million and \$14 million (2024: \$70 million and \$28 million) respectively.

### Analysed by Industry

\$ million	Cumulative allowances for impaired loans		Net allowances for impaired loans charged/(write-back) to income statements	
	2025	2024	2025	2024
<b>GROUP</b>				
Agriculture, mining and quarrying	2	30	(#)	3
Manufacturing	208	226	16	(3)
Building and construction	931	563	416	278
Housing loans	50	59	17	7
General commerce	111	133	2	55
Transport, storage and communication	58	81	(25)	(25)
Financial institutions, investment and holding companies	34	7	5	63
Professionals and individuals	48	48	23	14
Others	135	131	32	11
	<b>1,577</b>	1,278	<b>486</b>	403
<b>BANK</b>				
Agriculture, mining and quarrying	#	29	(2)	2
Manufacturing	7	9	(#)	-
Building and construction	461	218	269	156
Housing loans	#	#	#	(1)
General commerce	6	9	(6)	(37)
Transport, storage and communication	53	76	(26)	(11)
Financial institutions, investment and holding companies	-	-	#	(#)
Professionals and individuals	23	21	21	2
Others	127	122	49	22
	<b>677</b>	484	<b>305</b>	133

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 29. Debt and Equity Securities

\$ million	GROUP		BANK	
	2025	2024	2025	2024
Debt securities	<b>41,824</b>	36,126	<b>25,849</b>	22,386
Equity securities and investment funds	<b>11,448</b>	7,288	<b>7,249</b>	3,926
<b>Total securities</b>	<b>53,272</b>	43,414	<b>33,098</b>	26,312
Allowances for non-impaired debt securities	(5)	(1)	(5)	(1)
	<b>53,267</b>	43,413	<b>33,093</b>	26,311

### Debt Securities Analysis:

#### 29.1 By Credit Ratings

Investment grade (AAA to BBB)	<b>29,722</b>	23,870	<b>19,923</b>	16,067
Non-investment grade (BB to C)	<b>49</b>	35	<b>48</b>	33
Non-rated	<b>12,053</b>	12,221	<b>5,878</b>	6,286
	<b>41,824</b>	36,126	<b>25,849</b>	22,386

#### 29.2 By Credit Quality

Pass	<b>41,824</b>	36,126	<b>25,849</b>	22,386
Special mention	#	–	–	–
	<b>41,824</b>	36,126	<b>25,849</b>	22,386

### Debt and Equity Securities Analysis:

#### 29.3 By Industry

Agriculture, mining and quarrying	<b>941</b>	575	<b>603</b>	274
Manufacturing	<b>2,530</b>	2,564	<b>1,956</b>	2,088
Building and construction	<b>3,955</b>	3,345	<b>2,308</b>	2,002
General commerce	<b>980</b>	753	<b>797</b>	452
Transport, storage and communication	<b>2,736</b>	2,225	<b>1,739</b>	1,463
Financial institutions, investment and holding companies	<b>37,237</b>	30,417	<b>22,380</b>	17,867
Others	<b>4,893</b>	3,535	<b>3,315</b>	2,166
	<b>53,272</b>	43,414	<b>33,098</b>	26,312

## 30. Allowances for Financial Assets

The following tables show reconciliations from the opening to the closing balance of expected credit loss (ECL).

\$ million	Stage 1	Stage 2	Stage 3	Total
<b>GROUP</b>				
<b>At 1 January 2024</b>	1,280	1,317	1,330	3,927
Transfer to Stage 1	723	(663)	(60)	–
Transfer to Stage 2	(492)	532	(40)	–
Transfer to Stage 3	(3)	(97)	100	–
Remeasurement <sup>(1)</sup>	(837)	662	393	218
New financial assets originated or purchased	1,551	–	–	1,551
Financial assets that have been derecognised	(776)	(418)	–	(1,194)
Changes in models <sup>(2)</sup>	1	1	–	2
Write-offs	–	–	(499)	(499)
Foreign exchange and other movements	16	26	56	98
<b>At 31 December 2024/1 January 2025</b>	<b>1,463</b>	<b>1,360</b>	<b>1,280</b>	<b>4,103</b>
Transfer to Stage 1	668	(649)	(19)	–
Transfer to Stage 2	(826)	848	(22)	–
Transfer to Stage 3	(1)	(212)	213	–
Remeasurement <sup>(1)</sup>	(781)	575	283	77
New financial assets originated or purchased	2,237	–	–	2,237
Financial assets that have been derecognised	(1,066)	(705)	–	(1,771)
Changes in models <sup>(2)</sup>	(19)	3	–	(16)
Write-offs	–	–	(113)	(113)
Foreign exchange and other movements	(46)	41	(45)	(50)
<b>At 31 December 2025</b>	<b>1,629</b>	<b>1,261</b>	<b>1,577</b>	<b>4,467</b>
<b>BANK</b>				
<b>At 1 January 2024</b>	1,016	677	620	2,313
Transfer to Stage 1	419	(368)	(51)	–
Transfer to Stage 2	(314)	314	–	–
Transfer to Stage 3	(2)	(35)	37	–
Remeasurement <sup>(1)</sup>	(703)	423	145	(135)
New financial assets originated or purchased	1,012	–	–	1,012
Financial assets that have been derecognised	(489)	(217)	–	(706)
Changes in models <sup>(2)</sup>	1	1	–	2
Write-offs	–	–	(271)	(271)
Foreign exchange and other movements	5	15	4	24
<b>At 31 December 2024/1 January 2025</b>	<b>945</b>	<b>810</b>	<b>484</b>	<b>2,239</b>
Transfer to Stage 1	494	(482)	(12)	–
Transfer to Stage 2	(599)	599	(#)	–
Transfer to Stage 3	–	(109)	109	–
Remeasurement <sup>(1)</sup>	(612)	400	201	(11)
New financial assets originated or purchased	1,615	–	–	1,615
Financial assets that have been derecognised	(695)	(500)	–	(1,195)
Changes in models <sup>(2)</sup>	(3)	(8)	–	(11)
Write-offs	–	–	(88)	(88)
Foreign exchange and other movements	(47)	43	(17)	(21)
<b>At 31 December 2025</b>	<b>1,098</b>	<b>753</b>	<b>677</b>	<b>2,528</b>

<sup>(1)</sup> Remeasurement includes the changes in model inputs or assumptions such as changes in the forward-looking macroeconomic variables, partial repayments, additional drawdowns on existing facilities, changes in the measurement after a transfer between stages 1, 2 and 3, and the unwinding impact of time value of money.

<sup>(2)</sup> Changes in models include significant changes to the quantitative models used to estimate the impacts of the expected credit losses.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 30. Allowances for Financial Assets (continued)

### Analysed by Main Class of Financial Instruments

#### Loans to Customers at Amortised Cost<sup>(1)</sup>

\$ million	Stage 1	Stage 2	Stage 3	Total
<b>GROUP</b>				
<b>At 1 January 2024</b>	1,263	1,308	1,328	3,899
Transfer to Stage 1	717	(658)	(59)	–
Transfer to Stage 2	(490)	530	(40)	–
Transfer to Stage 3	(3)	(97)	100	–
Remeasurement <sup>(2)</sup>	(820)	655	392	227
New financial assets originated or purchased	1,520	–	–	1,520
Financial assets that have been derecognised	(761)	(415)	–	(1,176)
Changes in models <sup>(3)</sup>	1	1	–	2
Write-offs	–	–	(499)	(499)
Foreign exchange and other movements	15	26	56	97
<b>At 31 December 2024/1 January 2025</b>	<b>1,442</b>	<b>1,350</b>	<b>1,278</b>	<b>4,070</b>
Transfer to Stage 1	665	(647)	(18)	–
Transfer to Stage 2	(825)	847	(22)	–
Transfer to Stage 3	(1)	(212)	213	–
Remeasurement <sup>(2)</sup>	(765)	572	284	91
New financial assets originated or purchased	2,193	–	–	2,193
Financial assets that have been derecognised	(1,046)	(703)	–	(1,749)
Changes in models <sup>(3)</sup>	(20)	3	–	(17)
Write-offs	–	–	(113)	(113)
Foreign exchange and other movements	(44)	42	(45)	(47)
<b>At 31 December 2025</b>	<b>1,599</b>	<b>1,252</b>	<b>1,577</b>	<b>4,428</b>
<b>BANK</b>				
<b>At 1 January 2024</b>	1,004	669	620	2,293
Transfer to Stage 1	415	(364)	(51)	–
Transfer to Stage 2	(312)	312	–	–
Transfer to Stage 3	(2)	(35)	37	–
Remeasurement <sup>(2)</sup>	(688)	417	145	(126)
New financial assets originated or purchased	988	–	–	988
Financial assets that have been derecognised	(480)	(214)	–	(694)
Changes in models <sup>(3)</sup>	1	1	–	2
Write-offs	–	–	(271)	(271)
Foreign exchange and other movements	5	15	4	24
<b>At 31 December 2024/1 January 2025</b>	<b>931</b>	<b>801</b>	<b>484</b>	<b>2,216</b>
Transfer to Stage 1	493	(481)	(12)	–
Transfer to Stage 2	(598)	598	(#)	–
Transfer to Stage 3	–	(109)	109	–
Remeasurement <sup>(2)</sup>	(603)	400	201	(2)
New financial assets originated or purchased	1,587	–	–	1,587
Financial assets that have been derecognised	(681)	(498)	–	(1,179)
Changes in models <sup>(3)</sup>	(3)	(8)	–	(11)
Write-offs	–	–	(88)	(88)
Foreign exchange and other movements	(46)	43	(17)	(20)
<b>At 31 December 2025</b>	<b>1,080</b>	<b>746</b>	<b>677</b>	<b>2,503</b>

(1) Includes ECL on contingent liabilities and other credit commitments.

(2) Remeasurement includes the changes in model inputs or assumptions such as changes in the forward-looking macroeconomic variables, partial repayments, additional drawdowns on existing facilities, changes in the measurement after a transfer between stages 1, 2 and 3, and the unwinding impact of time value of money.

(3) Changes in models include significant changes to the quantitative models used to estimate the impacts of the expected credit losses.

### 30. Allowances for Financial Assets (continued)

The following tables set out information about the credit quality of financial assets.

\$ million	2025				2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>GROUP</b>								
<b>Cash and placements with central banks (Note 23)</b>								
Pass	30,140	27	–	30,167	33,845	39	–	33,884
Loss allowances	(#)	(5)	–	(5)	(#)	(4)	–	(4)
Carrying amount	30,140	22	–	30,162	33,845	35	–	33,880
<b>Government treasury bills and securities – Amortised cost (Note 39)</b>								
Pass	13,322	342	–	13,664	10,095	322	–	10,417
Loss allowances	(#)	–	–	(#)	–	–	–	–
Carrying amount	13,322	342	–	13,664	10,095	322	–	10,417
<b>Government treasury bills and securities – FVOCI<sup>(1)</sup> (Note 39)</b>								
Pass	45,917	382	–	46,299	28,982	366	–	29,348
Loss allowances	(1)	–	–	(1)	(1)	(#)	–	(1)
<b>Placements with and loans to banks – Amortised cost (Note 39)</b>								
Pass	18,359	193	–	18,552	20,185	328	–	20,513
Loss allowances	(5)	(#)	–	(5)	(3)	(#)	–	(3)
Carrying amount	18,354	193	–	18,547	20,182	328	–	20,510
<b>Placements with and loans to banks – FVOCI<sup>(1)</sup> (Note 39)</b>								
Pass	19,136	–	–	19,136	19,035	1,444	–	20,479
Loss allowances	(4)	–	–	(4)	(3)	(#)	–	(3)
<b>Loans to customers – Amortised cost (Note 39)</b>								
Pass	307,532	26,126	–	333,658	279,466	31,813	–	311,279
Special mention	–	4,234	–	4,234	–	5,060	–	5,060
Substandard	–	–	571	571	–	–	632	632
Doubtful	–	–	2,183	2,183	–	–	1,678	1,678
Loss	–	–	474	474	–	–	517	517
	307,532	30,360	3,228	341,120	279,466	36,873	2,827	319,166
Loss allowances	(1,074)	(969)	(1,572)	(3,615)	(972)	(1,130)	(1,267)	(3,369)
Carrying amount	306,458	29,391	1,656	337,505	278,494	35,743	1,560	315,797
<b>Debt securities – Amortised cost (Note 39)</b>								
Pass	1,830	102	–	1,932	640	134	–	774
Loss allowances	(4)	(1)	–	(5)	(#)	(1)	–	(1)
Carrying amount	1,826	101	–	1,927	640	133	–	773
<b>Debt securities – FVOCI<sup>(1)</sup> (Note 39)</b>								
Pass	32,055	1,076	–	33,131	27,883	1,224	–	29,107
Loss allowances	(16)	(3)	–	(19)	(14)	(5)	(2)	(21)

For loan commitments and financial guarantee contracts, the amounts in the table represent the amounts committed or guaranteed, respectively.

<b>Loan commitments and contingent liabilities</b>								
Pass	168,322	8,938	–	177,260	168,530	9,991	–	178,521
Special mention	–	666	–	666	–	726	–	726
Substandard	–	–	198	198	–	–	560	560
Doubtful	–	–	153	153	–	–	495	495
Loss	–	–	114	114	–	–	274	274
	168,322	9,604	465	178,391	168,530	10,717	1,329	180,576
Allowances for contingent liabilities and credit commitments	(525)	(283)	(5)	(813)	(470)	(220)	(11)	(701)

<sup>(1)</sup> In accordance with SFRS(I) 9, for financial asset measured at FVOCI, any impairment is recognised in the income statement together with a credit to fair value reserves within equity (without adjusting the carrying amount of the financial asset).

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 30. Allowances for Financial Assets (continued)

\$ million	2025				2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
<b>BANK</b>								
<b>Cash and placements with central banks (Note 23)</b>								
Pass	26,730	28	–	26,758	30,083	39	–	30,122
Loss allowances	(#)	(5)	–	(5)	(#)	(4)	–	(4)
Carrying amount	26,730	23	–	26,753	30,083	35	–	30,118
<b>Government treasury bills and securities – Amortised cost (Note 39)</b>								
Pass	11,210	343	–	11,553	8,383	322	–	8,705
Loss allowances	(#)	–	–	(#)	–	–	–	–
Carrying amount	11,210	343	–	11,553	8,383	322	–	8,705
<b>Government treasury bills and securities – FVOCI<sup>(1)</sup> (Note 39)</b>								
Pass	25,719	382	–	26,101	11,748	366	–	12,114
Loss allowances	(#)	–	–	(#)	(#)	(#)	–	(#)
<b>Placements with and loans to banks – Amortised cost (Note 39)</b>								
Pass	13,829	193	–	14,022	15,485	277	–	15,762
Loss allowances	(5)	(#)	–	(5)	(2)	(#)	–	(2)
Carrying amount	13,824	193	–	14,017	15,483	277	–	15,760
<b>Placements with and loans to banks – FVOCI<sup>(1)</sup> (Note 39)</b>								
Pass	11,272	–	–	11,272	13,552	1,444	–	14,996
Loss allowances	(1)	–	–	(1)	(1)	(#)	–	(1)
<b>Loans to customers – Amortised cost (Note 39)</b>								
Pass	226,254	18,377	–	244,631	203,755	22,398	–	226,153
Special mention	–	2,585	–	2,585	–	2,841	–	2,841
Substandard	–	–	38	38	–	–	147	147
Doubtful	–	–	964	964	–	–	556	556
Loss	–	–	87	87	–	–	117	117
	226,254	20,962	1,089	248,305	203,755	25,239	820	229,814
Loss allowances	(755)	(545)	(677)	(1,977)	(648)	(640)	(484)	(1,772)
Carrying amount	225,499	20,417	412	246,328	203,107	24,599	336	228,042
<b>Debt securities – Amortised cost (Note 39)</b>								
Pass	1,830	102	–	1,932	640	134	–	774
Loss allowances	(4)	(1)	–	(5)	(#)	(1)	–	(1)
Carrying amount	1,826	101	–	1,927	640	133	–	773
<b>Debt securities – FVOCI<sup>(1)</sup> (Note 39)</b>								
Pass	18,489	723	–	19,212	15,693	946	–	16,639
Loss allowances	(8)	(1)	–	(9)	(11)	(4)	–	(15)

For loan commitments and financial guarantee contracts, the amounts in the table represent the amounts committed or guaranteed, respectively.

<b>Loan commitments and contingent liabilities</b>								
Pass	127,929	6,841	–	134,770	115,534	6,968	–	122,502
Special mention	–	443	–	443	–	515	–	515
Substandard	–	–	158	158	–	–	522	522
Doubtful	–	–	137	137	–	–	351	351
Loss	–	–	84	84	–	–	149	149
	127,929	7,284	379	135,592	115,534	7,483	1,022	124,039
Allowances for contingent liabilities and credit commitments	(325)	(201)	–	(526)	(283)	(161)	(#)	(444)

(1) In accordance with SFRS(I) 9, for financial asset measured at FVOCI, any impairment is recognised in the income statement together with a credit to fair value reserves within equity (without adjusting the carrying amount of the financial asset).

## 31. Other Assets

\$ million	GROUP		BANK	
	2025	2024	2025	2024
Interest receivable	2,374	2,254	1,796	1,718
Sundry debtors (net)	1,586	1,092	418	142
Deposits and prepayments	1,777	2,031	1,278	1,357
Others	3,885	2,384	887	567
	9,622	7,761	4,379	3,784

At 31 December 2025, non-life reinsurance assets included in “Others” amounted to \$321 million (2024: \$279 million) for the Group.

## 32. Associates

\$ million	GROUP		BANK	
	2025	2024	2025	2024
Quoted equity security, at cost	2,601	2,601	2,141	2,168
Unquoted equity securities, at cost	85	94	57	65
	2,686	2,695	2,198	2,233
Share of post-acquisition reserves	5,824	5,389	–	–
Unquoted equity security, at fair value	86	68	–	–
<b>Net carrying amount</b>	<b>8,596</b>	<b>8,152</b>	<b>2,198</b>	<b>2,233</b>
Amounts due from associates	204	1	1	1
Allowances for non-impaired amounts due from associates	(1)	(#)	(#)	(#)
	203	1	1	1
<b>Investments in and amounts due from associates</b>	<b>8,799</b>	<b>8,153</b>	<b>2,199</b>	<b>2,234</b>

### 32.1 Material Associate

The Group’s material associate is as follows:

Name of associates	Country of incorporation/ Principal place of business	Nature of the relationship with the Group	Effective % interest held <sup>(2)</sup>	
			2025	2024
<b>Quoted</b>				
Bank of Ningbo Co., Ltd. <sup>(1)</sup>	People’s Republic of China	A commercial bank, which enables the Group to expand its bilateral business in offshore financing, trade finance and private banking.	20	20

<sup>(1)</sup> Audited by Ernst and Young Hua Ming LLP.

<sup>(2)</sup> Rounded to the nearest percentage.

As at 31 December 2025, the fair value (Level 1 of the fair value hierarchy) of the investments in Bank of Ningbo was \$6.82 billion (2024: \$5.99 billion). The carrying amount of the Group’s interests was \$8.19 billion (2024: \$7.77 billion).

Bank of Ningbo is listed on the Shenzhen Stock Exchange and its ability to transfer funds to the Group is subject to local listing and statutory regulations.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 32. Associates (continued)

### 32.2 Financial Information of Material Associate

The table below provides the financial information of the Group's material associate:

\$ million	Bank of Ningbo Co., Ltd.	
	2025	2024
<b>Selected income statement information</b>		
Revenue	13,082	12,358
Net profit	5,370	5,049
<b>Selected balance sheet information</b>		
Total assets	666,760	575,420
Total equity	45,699	43,662
Equity attributable to ordinary shareholders of the associate's parent company	40,897	38,831
<b>Reconciliation of associate's total ordinary shareholders' equity to the carrying amount in the Group's financial statements</b>		
Group's interests in net assets of investee at beginning of the year	7,772	6,563
Group's share of:		
– shareholders' equity in current year	698	1,356
Dividends	(284)	(147)
<b>Carrying amount of interest in investee at end of the year</b>	<b>8,186</b>	<b>7,772</b>
<b>Dividends received during the year</b>	<b>284</b>	<b>147</b>

## 32. Associates (continued)

### 32.3 Financial Information of Other Associates

In addition to the interests in associate disclosed above, the Group also has interests in individually immaterial associates that are accounted for using the equity method.

\$ million	2025	2024
<b>At 31 December:</b>		
Aggregate carrying amount of individually immaterial associates	<b>324</b>	312
<b>For the year ended:</b>		
Aggregate amounts of the Group's share of:		
Net profit from continuing operations	<b>45</b>	25
Other comprehensive (losses)/income	<b>(1)</b>	#
Total comprehensive income	<b>44</b>	25
<b>Dividends received during the year</b>	<b>10</b>	12

The Group's share of contingent liabilities in respect of all its associates is as follows:

\$ million	2025	2024
<b>At 31 December:</b>		
Share of contingent liabilities incurred jointly with other investors of associates	<b>20,056</b>	19,287

## 33. Subsidiaries

\$ million	BANK	
	2025	2024
<b>Investments in subsidiaries, at cost</b>		
Quoted securities	<b>2,654</b>	2,654
Unquoted securities	<b>14,562</b>	14,885
Allowance for impairment	<b>(52)</b>	(47)
Net carrying amount	<b>17,164</b>	17,492
<b>Amount due from subsidiaries</b>		
Term to maturity of one year or less	<b>9,337</b>	11,679
Term to maturity of more than one year	<b>11,294</b>	6,300
	<b>20,631</b>	17,979
<b>Investments in and amount due from subsidiaries</b>	<b>37,795</b>	35,471

At 31 December 2025, the fair values of the Group's interests in the quoted securities in its subsidiaries, Great Eastern Holdings Limited (Level 2 of the fair value hierarchy) and PT Bank OCBC NISP Tbk (Level 1 of the fair value hierarchy), were \$13.6 billion (2024: \$11.4 billion) and \$2.06 billion (2024: \$2.16 billion) respectively.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 33. Subsidiaries (continued)

### 33.1 List of Principal Subsidiaries

Principal subsidiaries of the Group are as follows:

Name of subsidiaries	Country of incorporation/ Principal place of business	Proportion of ownership interests held by the Group (%)		Proportion of ownership interests held by non-controlling interests (%)	
		2025 <sup>(1)</sup>	2024 <sup>(1)</sup>	2025 <sup>(1)</sup>	2024 <sup>(1)</sup>
<b>Banking</b>					
OCBC Bank (Macau) Limited	Macau SAR	100	100	–	–
Bank of Singapore Limited	Singapore	100	100	–	–
OCBC Al-Amin Bank Berhad	Malaysia	100	100	–	–
OCBC Bank (Malaysia) Berhad	Malaysia	100	100	–	–
OCBC Bank Limited	People's Republic of China	100	100	–	–
OCBC Bank (Hong Kong) Limited	Hong Kong SAR	100	100	–	–
PT Bank OCBC NISP Tbk	Indonesia	85	85	15	15
<b>Insurance</b>					
Great Eastern General Insurance Limited <sup>(2)</sup>	Singapore	94	94	6	6
Great Eastern General Insurance (Malaysia) Berhad <sup>(2)</sup>	Malaysia	94	94	6	6
Great Eastern Life Assurance (Malaysia) Berhad <sup>(2)</sup>	Malaysia	94	94	6	6
The Great Eastern Life Assurance Company Limited <sup>(2)</sup>	Singapore	94	94	6	6
<b>Asset management and investment holding</b>					
Lion Global Investors Limited <sup>(3)</sup>	Singapore	96	96	4	4
Great Eastern Holdings Limited <sup>(2)</sup>	Singapore	94	94	6	6
<b>Stockbroking</b>					
OCBC Securities Private Limited	Singapore	100	100	–	–

(1) Rounded to the nearest percentage.

(2) The proportion of voting rights held by non-controlling interests is 12% (2024: 6%).

(3) The proportion of voting rights held by non-controlling interests is 8% (2024: 4%).

The principal subsidiaries listed above are audited by PricewaterhouseCoopers LLP Singapore and its associated firms.

The Group's subsidiaries do not have significant restrictions on its ability to access or use its assets and settle its liabilities other than those resulting from their respective local statutory, regulatory, supervisory and banking requirements within which its subsidiaries operate. These requirements require the Group's subsidiaries to maintain minimum levels of regulatory capital, liquid assets, and exposure limits. In addition, Great Eastern Holdings Limited and other insurance subsidiaries are subject to their respective local insurance laws and regulations, while the Group's banking subsidiaries are subject to prudential regulatory requirements imposed by local regulators.

### 33. Subsidiaries (continued)

#### 33.2 Non-Controlling Interests in Subsidiaries

The following table summarises the financial information, before intercompany eliminations, relating to principal subsidiaries with material NCI.

\$ million	PT Bank OCBC NISP Tbk		Great Eastern Holdings Limited	
	2025	2024	2025	2024
Net assets attributable to NCI	<b>481</b>	487	<b>610</b>	597
Total comprehensive income attributable to NCI	<b>22</b>	56	<b>94</b>	104
Dividends paid to NCI during the year	<b>28</b>	21	<b>29</b>	33
<b>Summarised financial information</b>				
Total assets	<b>23,268</b>	23,131	<b>122,639</b>	113,909
Total liabilities	<b>(20,047)</b>	(19,868)	<b>(112,166)</b>	(105,125)
<b>Total net assets</b>	<b>3,221</b>	3,263	<b>10,473</b>	8,784
Revenue	<b>1,034</b>	1,069	<b>1,722</b>	1,432
Profit	<b>400</b>	411	<b>1,227</b>	1,023
Other comprehensive (losses)/income	<b>(252)</b>	(38)	<b>285</b>	208
<b>Total comprehensive income</b>	<b>148</b>	373	<b>1,512</b>	1,231
Cash flows provided by/(used in) operating activities	<b>2,265</b>	3,117	<b>(416)</b>	(2,487)
Cash flows (used in)/provided investing activities	<b>(2,252)</b>	(2,320)	<b>846</b>	521
Cash flows (used in)/provided financing activities	<b>(285)</b>	(139)	<b>298</b>	62
Effect of currency translation reserve adjustment	<b>24</b>	22	<b>-</b>	-
<b>Net changes in cash and cash equivalents</b>	<b>(248)</b>	680	<b>728</b>	(1,904)

#### 33.3 Consolidated Structured Entities

The Bank has a USD10 billion Global Covered Bond Programme (the Programme) to augment its funding programmes. Under the Programme, the Bank may, from time to time, issue bonds (the Covered Bonds). The payments of interest and principal under the Covered Bonds are guaranteed by the Covered Bond Guarantor, Red Sail Pte. Ltd. (the CBG). The Covered Bonds issued under the Programme will predominantly be backed by a portfolio of Singapore housing loans transferred from the Bank to the CBG. Integral to the Programme structure, the Bank provides funding and hedging facilities to the CBG.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 34. Property, Plant and Equipment

GROUP (\$ million)	2025				2024			
	Property-related	Computer-related <sup>(1)</sup>	Others	Total	Property-related	Computer-related <sup>(1)</sup>	Others	Total
<b>Cost</b>								
<b>At 1 January</b>	<b>3,816</b>	<b>4,132</b>	<b>759</b>	<b>8,707</b>	3,700	3,615	694	8,009
Currency translation	(87)	(17)	(3)	(107)	63	45	13	121
Additions/modifications	431	582	77	1,090	96	528	63	687
Disposals/terminations and other transfers	(63)	(107)	(23)	(193)	(82)	(56)	(11)	(149)
Net transfer (to)/from:								
Assets held for sale	(11)	–	–	(11)	–	–	–	–
Investment property (Note 35)	(52)	–	–	(52)	39	–	–	39
<b>At 31 December</b>	<b>4,034</b>	<b>4,590</b>	<b>810</b>	<b>9,434</b>	3,816	4,132	759	8,707
<b>Accumulated depreciation</b>								
<b>At 1 January</b>	<b>(1,412)</b>	<b>(2,843)</b>	<b>(551)</b>	<b>(4,806)</b>	(1,320)	(2,521)	(516)	(4,357)
Currency translation	34	4	2	40	(22)	(36)	(10)	(68)
Disposals/terminations and other transfers	53	79	28	160	72	61	20	153
Depreciation expense	(126)	(363)	(40)	(529)	(107)	(299)	(36)	(442)
Depreciation expense of life insurance funds	(23)	(56)	(13)	(92)	(22)	(48)	(9)	(79)
Net transfer to/(from):								
Assets held for sale	3	–	–	3	–	–	–	–
Investment property (Note 35)	13	–	–	13	(13)	–	–	(13)
<b>At 31 December</b>	<b>(1,458)</b>	<b>(3,179)</b>	<b>(574)</b>	<b>(5,211)</b>	(1,412)	(2,843)	(551)	(4,806)
<b>Accumulated impairment losses</b>								
<b>At 1 January</b>	<b>(175)</b>	<b>(#)</b>	<b>(1)</b>	<b>(176)</b>	(123)	(#)	(1)	(124)
Currency translation	6	–	–	6	(4)	–	–	(4)
Disposals/terminations and other transfers	–	#	1	1	–	–	–	–
Impairment loss charged to income statement	(27)	–	–	(27)	(51)	–	–	(51)
Net transfer to:								
Assets held for sale	3	–	–	3	–	–	–	–
Investment property (Note 35)	11	–	–	11	3	–	–	3
<b>At 31 December</b>	<b>(182)</b>	<b>–</b>	<b>–</b>	<b>(182)</b>	(175)	(#)	(1)	(176)
<b>Net carrying amount, at 31 December<sup>(2)</sup></b>	<b>2,394</b>	<b>1,411</b>	<b>236</b>	<b>4,041</b>	2,229	1,289	207	3,725
Freehold property	389				420			
Leasehold property	1,770				1,588			
<b>Net carrying amount</b>	<b>2,159</b>				2,008			

(1) Includes computer software of \$1,107 million (2024: \$976 million). The cost and accumulated depreciation are \$3,358 million (2024: \$2,986 million) and \$2,251 million (2024: \$2,010 million) respectively.

(2) Includes ROU assets comprising property-related of \$235 million (2024: \$221 million), computer-related of \$5 million (2024: \$8 million) and others of \$3 million (2024: \$1 million).

### 34. Property, Plant and Equipment (continued)

BANK (\$ million)	2025				2024			
	Property-related	Computer-related <sup>(1)</sup>	Others	Total	Property-related	Computer-related <sup>(1)</sup>	Others	Total
<b>Cost</b>								
<b>At 1 January</b>	258	2,271	212	2,741	399	1,993	212	2,604
Currency translation	(1)	(#)	(#)	(1)	(#)	(#)	(#)	(#)
Additions	361	346	12	719	13	306	12	331
Disposals/terminations and other transfers	(22)	(17)	(12)	(51)	(154)	(28)	(12)	(194)
<b>At 31 December</b>	<b>596</b>	<b>2,600</b>	<b>212</b>	<b>3,408</b>	<b>258</b>	<b>2,271</b>	<b>212</b>	<b>2,741</b>
<b>Accumulated depreciation</b>								
<b>At 1 January</b>	(112)	(1,561)	(153)	(1,826)	(169)	(1,409)	(144)	(1,722)
Currency translation	1	#	#	1	#	#	#	#
Disposals/terminations and other transfers	36	18	12	66	86	31	9	126
Depreciation expense	(35)	(235)	(18)	(288)	(29)	(183)	(18)	(230)
<b>At 31 December</b>	<b>(110)</b>	<b>(1,778)</b>	<b>(159)</b>	<b>(2,047)</b>	<b>(112)</b>	<b>(1,561)</b>	<b>(153)</b>	<b>(1,826)</b>
<b>Accumulated impairment losses</b>								
<b>At 1 January</b>	(1)	–	–	(1)	–	–	–	–
Currency translation	#	–	–	#	(#)	–	–	(#)
Impairment loss charged to income statement	–	–	–	–	(1)	–	–	(1)
<b>At 31 December</b>	<b>(1)</b>	<b>–</b>	<b>–</b>	<b>(1)</b>	<b>(1)</b>	<b>–</b>	<b>–</b>	<b>(1)</b>
<b>Net carrying amount, at 31 December<sup>(2)</sup></b>	<b>485</b>	<b>822</b>	<b>53</b>	<b>1,360</b>	<b>145</b>	<b>710</b>	<b>59</b>	<b>914</b>
Freehold property	24				24			
Leasehold property	395				79			
<b>Net carrying amount</b>	<b>419</b>				<b>103</b>			

<sup>(1)</sup> Includes computer software of \$730 million (2024: \$618 million). The cost and accumulated depreciation are \$2,163 million (2024: \$1,873 million) and \$1,433 million (2024: \$1,255 million) respectively.

<sup>(2)</sup> Includes ROU assets comprising property-related of \$66 million (2024: \$42 million), computer-related of \$4 million (2024: \$6 million) and others of \$1 million (2024: \$1 million).

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 35. Investment Property

\$ million	GROUP		BANK	
	2025	2024	2025	2024
<b>Cost</b>				
<b>At 1 January</b>	<b>943</b>	989	<b>80</b>	617
Currency translation	(20)	2	–	–
Additions	2	1	–	–
Disposals and other transfers	(1)	(1)	(2)	(535)
Net transfer from/(to):				
Property, plant and equipment (Note 34)	52	(39)	–	–
Assets held for sale	(#)	(9)	(#)	(2)
<b>At 31 December</b>	<b>976</b>	943	<b>78</b>	80
<b>Accumulated depreciation</b>				
<b>At 1 January</b>	<b>(263)</b>	(266)	<b>(23)</b>	(148)
Currency translation	3	(1)	–	–
Disposals and other transfers	#	1	1	124
Depreciation expense	(15)	(14)	(1)	(1)
Net transfer (from)/to:				
Property, plant and equipment (Note 34)	(13)	13	–	–
Assets held for sale	#	4	#	2
<b>At 31 December</b>	<b>(288)</b>	(263)	<b>(23)</b>	(23)
<b>Accumulated impairment losses</b>				
<b>At 1 January</b>	<b>(5)</b>	–	–	–
Currency translation	1	(1)	–	–
Impairment loss charge to income statement	(1)	(1)	–	–
Net transfer from:				
Property, plant and equipment (Note 34)	(11)	(3)	–	–
<b>At 31 December</b>	<b>(16)</b>	(5)	–	–
<b>Net carrying amount</b>				
Freehold property	529	537	16	17
Leasehold property	143	138	39	40
<b>At 31 December</b>	<b>672</b>	675	<b>55</b>	57
<b>Fair value hierarchy</b>				
Level 2	727	717	333	333
Level 3	1,992	1,990	69	74
<b>Market value</b>	<b>2,719</b>	2,707	<b>402</b>	407

Market values for properties under Level 2 of the fair value hierarchy are determined based on the direct market comparison method. Such valuation is derived from price per square metre for comparable buildings market data with insignificant valuation adjustment, if necessary.

Market values for properties under Level 3 of the fair value hierarchy are determined using a combination of direct market comparison and investment methods. The key unobservable inputs used in these valuations are the capitalisation rates and rental yields.

## 36. Goodwill and Other Intangible Assets

\$ million	GROUP		BANK	
	2025	2024	2025	2024
<b>Goodwill</b>				
<b>At 1 January</b>	<b>4,465</b>	4,403	<b>1,867</b>	1,867
Currency translation	(121)	62	–	–
<b>At 31 December</b>	<b>4,344</b>	4,465	<b>1,867</b>	1,867
<b>Intangible assets</b>				
<b>At 1 January</b>	<b>39</b>	98		
Amortisation charged to income statement:				
– Core deposit relationships <sup>(1)</sup>	–	(21)		
– Customer relationships <sup>(2)</sup>	(14)	(15)		
– Distribution platform	(#)	(#)		
– Life insurance business <sup>(3)</sup>	(7)	(23)		
Currency translation	(2)	#		
<b>At 31 December</b>	<b>16</b>	39		
<b>Total goodwill and other intangible assets</b>	<b>4,360</b>	4,504	<b>1,867</b>	1,867
<b>Analysed as follows:</b>				
Goodwill from acquisition of subsidiaries/business	<b>4,344</b>	4,465	<b>1,867</b>	1,867
Intangible assets, at cost	<b>1,540</b>	1,577	–	–
Accumulated amortisation for intangible assets	<b>(1,524)</b>	(1,538)	–	–
	<b>4,360</b>	4,504	<b>1,867</b>	1,867

(1) Core deposit relationships, arising from the acquisition of OCBC Bank (Hong Kong) Limited, are determined to have an estimated useful life of 10 years. At 31 December 2025, these have been fully amortised.

(2) Customer relationships, arising from the acquisition of Bank of Singapore Limited and Barclays WIM, are determined to have an estimated useful life of 10 years. At 31 December 2025, these have a remaining useful life of up to 1 year (2024: 2 years).

(3) The value of in-force insurance business of the Group is amortised over a useful life of 20 years. At 31 December 2025, the intangible asset has a remaining average useful life of up to 1 year (2024: 1 year).

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 36. Goodwill and Other Intangible Assets (continued)

### Impairment Tests for Goodwill

For impairment testing, goodwill is allocated to the Group's cash-generating units (CGU) identified at a level at or below business segments as follows:

\$ million Cash Generating Units	Basis of determining recoverable value	Carrying amount	
		2025	2024
Goodwill attributed to Banking CGU			
Global Consumer Financial Services		844	844
Global Wholesale Banking		570	570
Global Markets		524	524
	Value-in-use	1,938	1,938
Great Eastern Holdings Limited	Appraisal value	427	427
Bank of Singapore Limited	Value-in-use	774	819
Lion Global Investors Limited	Value-in-use	30	30
OCBC Bank (Hong Kong) Limited	Value-in-use	1,023	1,085
PT Bank OCBC NISP Tbk	Value-in-use	142	156
Others	Value-in-use	10	10
		4,344	4,465

The value-in-use calculations apply a discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by management covering a five-year period. The cash flow projections are discounted at a pre-tax discount rate that includes a reasonable risk premium at the date of assessment of the respective CGU. Cash flows beyond the fifth year are extrapolated using the estimated terminal growth rates (weighted average growth rate to extrapolate cash flows beyond the projected years). The terminal growth rate for each CGU used does not exceed management's expectation of the long-term average growth rate of the respective industry and country in which the CGU operates. The discount rates and terminal growth rates used are tabulated below for applicable CGUs.

	Banking CGU		Bank of Singapore Limited		OCBC Bank (Hong Kong) Limited		PT Bank OCBC NISP Tbk	
	2025	2024	2025	2024	2025	2024	2025	2024
Discount rate	15.4%	12.7%	15.4%	13.5%	9.3%	9.4%	18.1%	17.6%
Terminal growth rate	2.0%	2.0%	2.0%	2.0%	2.0%	3.0%	4.0%	4.0%

For Great Eastern Holdings Limited CGU, the Group applies the appraisal value technique for its value-in-use calculation. This technique is commonly used to determine the economic value of an insurance business, which comprises two components: embedded value of in-force business and existing structural value (value of future sales). The embedded value of the life insurance business is the present value of projected distributable profits (cash flows) of the in-force business. The cash flows represent a deterministic approach based on assumptions as to future operating experience discounted at a risk adjusted rate of 6.50% (2024: 6.75%) and 8.00% (2024: 8.25%) for Singapore and Malaysia respectively. The assumptions take into account the recent experience of, and expected future outlook for the life insurance business of the CGU. Investment returns assumed are based on long term strategic asset mix and their expected future returns. The existing structural value is the value of projected distributable profits from new businesses, which is calculated based on new businesses sold for the nine months ended up to 30 September.

A reasonably possible change in key assumptions will not cause the recoverable amount to decline materially below the carrying amount.

## 37. Segment Information

The Group provides operating segment information primarily by business and additional segment information by geography.

### 37.1 Business Segments

\$ million	Global Consumer/ Private Banking	Global Wholesale Banking	Global Markets	Insurance	Others	Group
<b>Year ended 31 December 2025</b>						
Net interest income	2,945	4,807	1,029	205	164	9,150
Non-interest income	2,468	1,118	381	1,517	(20)	5,464
<b>Total income</b>	<b>5,413</b>	<b>5,925</b>	<b>1,410</b>	<b>1,722</b>	<b>144</b>	<b>14,614</b>
Operating profit before allowances and amortisation	2,278	4,087	945	1,497	(75)	8,732
Amortisation of intangible assets	(14)	–	–	(7)	–	(21)
Allowances for loans and other assets	(55)	(499)	3	1	(115)	(665)
<b>Operating profit after allowances and amortisation</b>	<b>2,209</b>	<b>3,588</b>	<b>948</b>	<b>1,491</b>	<b>(190)</b>	<b>8,046</b>
Share of results of associates, net of tax	–	–	–	–	1,077	1,077
<b>Profit before income tax</b>	<b>2,209</b>	<b>3,588</b>	<b>948</b>	<b>1,491</b>	<b>887</b>	<b>9,123</b>
<b>Other information:</b>						
Capital expenditure	93	49	1	120	829	1,092
Depreciation	105	18	5	10	406	544
<b>At 31 December 2025</b>						
Segment assets	151,401	225,800	157,042	122,970	53,198	710,411
Unallocated assets						489
Elimination						(35,212)
<b>Total assets</b>						<b>675,688</b>
Segment liabilities	217,383	188,350	89,171	111,187	39,130	645,221
Unallocated liabilities						2,109
Elimination						(35,212)
<b>Total liabilities</b>						<b>612,118</b>
<b>Other information:</b>						
Gross non-bank loans	116,645	220,055	3,773	480	167	341,120
NPAs	654	2,586	2	1	–	3,243

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 37. Segment Information (continued)

### 37.1 Business Segments (continued)

\$ million	Global Consumer/ Private Banking	Global Wholesale Banking	Global Markets	Insurance	Others	Group
<b>Year ended 31 December 2024</b>						
Net interest income	3,242	5,085	560	173	695	9,755
Non-interest income	1,963	990	436	1,253	76	4,718
<b>Total income</b>	<b>5,205</b>	<b>6,075</b>	<b>996</b>	<b>1,426</b>	<b>771</b>	<b>14,473</b>
Operating profit before allowances and amortisation	2,252	4,264	575	1,216	424	8,731
Amortisation of intangible assets	(15)	–	–	(24)	(20)	(59)
Allowances for loans and other assets	(66)	(808)	(9)	(2)	195	(690)
<b>Operating profit after allowances and amortisation</b>	<b>2,171</b>	<b>3,456</b>	<b>566</b>	<b>1,190</b>	<b>599</b>	<b>7,982</b>
Share of results of associates, net of tax	–	–	–	–	994	994
<b>Profit before income tax</b>	<b>2,171</b>	<b>3,456</b>	<b>566</b>	<b>1,190</b>	<b>1,593</b>	<b>8,976</b>
<b>Other information:</b>						
Capital expenditure	86	17	1	114	470	688
Depreciation	99	14	4	7	332	456
<b>At 31 December 2024</b>						
Segment assets	147,452	212,508	139,864	114,296	54,798	668,918
Unallocated assets						538
Elimination						(44,406)
<b>Total assets</b>						<b>625,050</b>
Segment liabilities	207,593	165,784	82,282	104,402	47,295	607,356
Unallocated liabilities						1,720
Elimination						(44,406)
<b>Total liabilities</b>						<b>564,670</b>
<b>Other information:</b>						
Gross non-bank loans	107,752	207,785	3,189	323	117	319,166
NPAs	577	2,288	3	1	–	2,869

OCBC Group's businesses are presented in the following customer segments and business activities: Global Consumer/Private Banking, Global Wholesale Banking, Global 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, investments and wealth management products. 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.

## 37. Segment Information (continued)

### 37.1 Business Segments (continued)

#### Global Markets

Global 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, digital assets, brokerage services 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 GEH and its subsidiaries, which provide both life and general insurance products to its customers mainly in Singapore and Malaysia.

#### Others

Others comprise mainly property holding, investment holding and items not attributable to the business segments described above.

The business segment information is prepared based on internal management reports, which are used by senior management for decision-making and performance management. The following management reporting methodologies are adopted:

- (a) income and expenses are attributable to each segment based on the internal management reporting policies;
- (b) in determining the segment results, balance sheet items are internally transfer priced; and
- (c) transactions between business segments are recorded within the segment as if they are third party transactions and are eliminated on consolidation.

Where there are material changes in the organisational structure and management reporting methodologies, segment information for prior periods is reclassified to allow comparability. There are no material items of income or expense between the business segments.

### 37.2 Geographical Segments

\$ million	Total income	Profit before income tax	Income tax expenses	Capital expenditure	Total assets	Total liabilities
<b>2025</b>						
Singapore	8,644	5,056	797	844	396,538	395,072
Malaysia	1,860	1,378	302	90	74,955	59,801
Indonesia	1,054	493	108	26	24,895	21,213
Greater China	2,008	1,671	97	89	105,110	77,566
Other Asia Pacific	323	179	58	9	25,456	14,334
Rest of the World	725	346	201	34	48,734	44,132
	<b>14,614</b>	<b>9,123</b>	<b>1,563</b>	<b>1,092</b>	<b>675,688</b>	<b>612,118</b>
<b>2024</b>						
Singapore	8,913	5,489	690	470	362,744	360,717
Malaysia	1,655	1,139	225	73	68,066	55,505
Indonesia	1,085	527	114	42	24,657	20,986
Greater China	1,863	1,277	36	98	103,540	75,355
Other Asia Pacific	309	149	43	4	22,945	12,846
Rest of the World	648	395	120	1	43,098	39,261
	<b>14,473</b>	<b>8,976</b>	<b>1,228</b>	<b>688</b>	<b>625,050</b>	<b>564,670</b>

The Group's operations are in six main geographical areas. The geographical information is prepared based on the country in which the transactions are booked. It would not be materially different if it is based on the country in which the counterparty or assets are located. The geographical information is stated after elimination of intra-group transactions and balances.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 38. Risk Management

### 38.1 Overview

Risk ownership is a shared responsibility between the business units and risk functions as well as other support functions. The Group's leadership actively fosters a strong risk culture and sets a clear tone from the top, emphasising risk awareness, accountability, and ownership at every level. This commitment drives the Group's comprehensive and disciplined risk management approach, which addresses all types of risks (financial and non-financial) and upholds the highest ethical standards. The Group<sup>(1)</sup> identifies risk sources and drivers, set risk appetites and tolerances aligned with business goals, and manage potential impacts under adverse circumstances. Risks are identified, measured and monitored using comprehensive metrics, on a standalone and aggregated basis, with a strong focus on early risk identification and mitigation, and pivoting the Group's risk strategies in response to cyclical and structural changes.

A robust risk governance structure ensures that the Group has effective oversight and accountability of risk. The Group's Board of Directors (Board) have ultimate responsibility for the effective management of risk. The Board establishes the corporate strategy and approves the risk appetite within which senior management executes the strategy.

The Board Risk Management Committee (BRMC) oversees all risk management matters and ensures that the Group's enterprise-wide risk management philosophy, principles and risk appetite align with the corporate strategy. The BRMC has oversight of credit, market, liquidity, information security and digital, operational, conduct, money laundering and terrorism financing, fraud, legal, regulatory, strategic, Environmental, Social and Governance (ESG) and fiduciary risks, as well as any other risk category delegated by the Board or deemed necessary by the BRMC. The BRMC provides quantitative and qualitative guidance to major business units and risk functions on risk-taking. Together with senior management, it regularly reviews risk drivers, profiles, frameworks and policies, and compliance matters.

Senior management from risk-taking and risk control functions form dedicated functional risk committees to facilitate close risk oversight and governance. These committees are supported by the functional risk management units under the Group Risk Management Division (GRM). GRM, led by the Group Chief Risk Officer (CRO), provides independent risk control and manages credit, market, liquidity, information security and digital, operational and ESG risks. The Group CRO is a member of the Group Management Executive Committee and functional risk committees. GRM delivers regular risk reports, monitors material risk drivers, identifies potential vulnerabilities, and recommends mitigating actions to senior management, risk committees, the BRMC and the Board. At the Group level, GRM also provides functional oversight to the banking subsidiaries and GEH.

The table below shows the value-at-risk (VaR) by risk type for the Group's trading portfolio.

\$ million	2025				2024			
	End of the period	Average	Minimum	Maximum	End of the period	Average	Minimum	Maximum
Interest rate VaR	5.2	8.7	1.3	18.6	6.3	6.9	4.4	10.8
Foreign exchange VaR	3.3	2.5	0.9	10.4	2.8	2.3	0.8	8.0
Equity VaR	3.5	3.8	0.8	8.0	3.6	2.5	0.8	4.3
Credit spread VaR	1.6	2.5	1.3	5.3	2.0	2.8	1.7	4.6
Commodity VaR	1.4	0.3	–	2.3	–	0.4	–	1.7
Diversification effect <sup>(2)</sup>	(8.2)	(9.9)	NM <sup>(3)</sup>	NM <sup>(3)</sup>	(9.5)	(8.6)	NM <sup>(3)</sup>	NM <sup>(3)</sup>
Aggregate VaR	6.8	7.8	3.6	12.7	5.2	6.3	4.1	10.6

(1) Refer to Note 38.4 for risk management disclosures for GEH Group.

(2) Diversification effect is computed as the difference between Aggregate VaR and the sum of asset class VaRs.

(3) Not meaningful as the minimum and maximum VaRs may have occurred on different days for different asset classes.

## 38. Risk Management (continued)

### 38.2 Credit Risk

Credit risk is the risk of financial loss due to a borrower or obligor failing to meet their financial or contractual obligations. Credit risk arises from the Group's lending activities to retail, corporate and institutional customers. It also includes counterparty and issuer credit risks arising from the Group's underwriting, trading and investment banking activities.

#### Maximum Exposure to Credit Risk

The following table presents the Group's maximum exposure to credit risk of on-balance sheet and off-balance sheet financial instruments, without taking into account of any collateral held or other credit enhancements. For on-balance sheet assets, the exposure to credit risk equals their carrying amount. For contingent liabilities, the maximum exposure to credit risk is the maximum amount that the Group would have to pay if the obligations of the instruments issued are called upon. For credit commitments, the maximum exposure to credit risk is the full amount of the undrawn credit facilities granted to customers.

\$ million	Carrying amount	
	2025	2024
<b>Credit risk exposure of on-balance sheet assets:</b>		
Loans to customers	336,692	315,096
Placements with and loans to banks	37,942	42,407
Government treasury bills and securities	66,404	44,685
Debt securities	41,819	36,125
Amounts due from associates	203	1
Derivative receivables	13,035	17,203
Other assets, comprising interest receivables and sundry debtors	3,960	3,346
	500,055	458,863
<b>Credit risk exposure of off-balance sheet items:</b>		
Contingent liabilities	19,359	18,796
Credit commitments	208,070	196,442
	227,429	215,238
<b>Total maximum credit risk exposure</b>	<b>727,484</b>	<b>674,101</b>

#### Collateral

The main types of collateral obtained by the Group are as follows:

- Residential property loans                      – Mortgages over residential properties
- Commercial property loans                      – Mortgages over commercial properties
- Derivatives    – Cash and securities
- Car loans    – Charges over the vehicles financed
- Share margin financing                              – Charges over listed securities including those of Singapore, Malaysia and Hong Kong
- Other loans    – Securities and charges over business assets such as premises, inventories, trade receivables, deposits, single premium insurance policies or marketable securities

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 38. Risk Management (continued)

### 38.2 Credit Risk (continued)

#### Analysed by Geography

\$ million	Derivative receivables (Note 18)	Government treasury bills and securities (Note 24)	Balances with banks (Note 25)	Loans to customers (Note 26)	Non-performing assets (Note 27)	Allowances for impaired assets (Note 27)	Debt securities (Note 29)
<b>GROUP</b>							
<b>2025</b>							
Singapore	1,057	21,506	1,005	149,086	236	83	4,983
Malaysia	317	5,831	4,306	28,174	332	91	4,935
Indonesia	53	8,330	1,345	17,748	457	336	2,074
Greater China	2,407	3,085	6,983	70,949	1,445	649	9,218
Other Asia Pacific	1,324	10,667	8,704	24,755	211	191	11,930
Rest of the World	7,877	16,985	14,163	50,408	562	227	8,684
	<b>13,035</b>	<b>66,404</b>	<b>36,506</b>	<b>341,120</b>	<b>3,243</b>	<b>1,577</b>	<b>41,824</b>

<b>2024</b>							
Singapore	1,218	14,316	733	133,609	332	119	3,839
Malaysia	339	5,434	6,592	25,636	510	167	2,535
Indonesia	118	7,604	1,287	19,389	489	381	1,448
Greater China	5,164	3,535	16,335	74,495	1,024	293	11,692
Other Asia Pacific	1,438	5,179	3,718	23,761	236	203	10,444
Rest of the World	8,926	8,617	12,431	42,276	278	117	6,168
	<b>17,203</b>	<b>44,685</b>	<b>41,096</b>	<b>319,166</b>	<b>2,869</b>	<b>1,280</b>	<b>36,126</b>

<b>BANK</b>							
<b>2025</b>							
Singapore	1,615	20,451	960	141,848	232	82	3,127
Malaysia	70	16	1,446	4,544	14	14	1,854
Indonesia	20	429	1,121	3,518	–	–	798
Greater China	1,168	292	5,681	31,938	290	181	4,375
Other Asia Pacific	1,301	8,713	5,984	21,883	210	191	9,088
Rest of the World	7,466	13,231	10,361	44,574	349	209	6,607
	<b>11,640</b>	<b>43,132</b>	<b>25,553</b>	<b>248,305</b>	<b>1,095</b>	<b>677</b>	<b>25,849</b>

<b>2024</b>							
Singapore	1,610	13,182	557	127,048	318	116	2,020
Malaysia	93	90	4,142	3,475	20	16	597
Indonesia	53	904	1,042	4,140	32	29	737
Greater China	1,662	525	12,726	36,843	9	8	5,967
Other Asia Pacific	1,380	4,420	3,561	21,408	236	203	8,319
Rest of the World	8,784	5,257	10,148	36,900	223	112	4,746
	<b>13,582</b>	<b>24,378</b>	<b>32,176</b>	<b>229,814</b>	<b>838</b>	<b>484</b>	<b>22,386</b>

The analysis by geography is determined based on where the credit risk resides.

## 38. Risk Management (continued)

### 38.2 Credit Risk (continued)

#### Total Loans and Advances – Credit Quality

In addition to the credit grading of facilities under MAS Notice 612, loans and advances are categorised into “neither past due nor impaired”, “past due but not impaired” and “impaired”.

\$ million	Bank loans		Non-bank loans	
	2025	2024	2025	2024
Neither past due nor impaired	<b>36,506</b>	41,096	<b>336,944</b>	315,411
Non-impaired	–	–	<b>1,423</b>	1,483
Impaired	–	–	<b>1,772</b>	1,768
Past due loans	–	–	<b>3,195</b>	3,251
Impaired but not past due	–	–	<b>981</b>	504
<b>Gross loans</b>	<b>36,506</b>	41,096	<b>341,120</b>	319,166
Allowances				
Impaired loans	–	–	<b>(1,577)</b>	(1,278)
Non-impaired loans	<b>(5)</b>	(3)	<b>(2,851)</b>	(2,792)
<b>Net loans</b>	<b>36,501</b>	41,093	<b>336,692</b>	315,096

#### Past Due Loans

Analysis of past due loans by industry and geography are as follows:

\$ million	Bank loans		Non-bank loans	
	2025	2024	2025	2024
<b>By industry</b>				
Agriculture, mining and quarrying	–	–	<b>54</b>	57
Manufacturing	–	–	<b>388</b>	362
Building and construction	–	–	<b>968</b>	940
General commerce	–	–	<b>248</b>	290
Transport, storage and communication	–	–	<b>78</b>	79
Financial institutions, investment and holding companies	–	–	<b>330</b>	231
Professionals and individuals (include housing loans)	–	–	<b>1,009</b>	1,169
Others	–	–	<b>120</b>	123
	–	–	<b>3,195</b>	3,251
<b>By geography</b>				
Singapore	–	–	<b>596</b>	655
Malaysia	–	–	<b>451</b>	507
Indonesia	–	–	<b>710</b>	743
Greater China	–	–	<b>813</b>	967
Rest of the World	–	–	<b>625</b>	379
	–	–	<b>3,195</b>	3,251

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 38. Risk Management (continued)

### 38.2 Credit Risk (continued)

#### Loans Past Due But Not Impaired

Certain loans and advances are past due but not impaired as the collateral values of these loans are in excess of the principal and interest outstanding. Allowances for these loans may have been set aside. The Group's non-bank loans which are past due but not impaired are as follows:

\$ million	2025	2024
<b>Past due</b>		
Less than 30 days	731	811
30 to 90 days	349	455
Over 90 days	343	217
<b>Past due but not impaired</b>	<b>1,423</b>	<b>1,483</b>

#### Collateral and Other Credit Enhancements Obtained

Assets amounting to \$135 million (2024: \$140 million) were obtained by the Group during the year by taking possession of collateral held as security, or by calling upon other credit enhancements and held at the reporting date.

Repossessed properties are made available for sale in an orderly fashion, with the proceeds used to reduce or repay the outstanding indebtedness. The Group generally does not occupy the premises repossessed for its business use.

#### Country Risk

The Group's country risk framework covers the assessment and rating of countries, as well as the maximum cross-border transfer risk limit granted to any one country based on its risk rating. The risk covers all cross-border transactions including onshore non-local currency transactions. Limits are allocated into maturity time-bands and vary according to the risk rating of the country and the political and economic outlook. The Group's main cross-border transfer risk exposures during the financial year were in Hong Kong SAR, United States and People's Republic of China (2024: Hong Kong SAR, People's Republic of China and Malaysia).

### 38.3 Market Risk and Liquidity Risk Management

Market risk is the risk of financial loss due to fluctuations in market factors such as interest rates, foreign exchange rates and commodity prices. Market risks arise primarily from the Group's trading, customer servicing and balance sheet management activities. Given the volatile macroeconomic environment, it is paramount that the management of market risk is robust and timely. This is achieved through the market risk management approach, which involves the identification, measurement, monitoring, reporting and control of market risks.

Group level market risk policies and procedures are established to provide common guidelines and standards for managing market risks. The Group regularly reviews its market risk management strategy and limits, which are established in accordance with the Group's risk appetite and are aligned with the Group's business strategies, taking into account prevailing macroeconomic and market conditions.

The Group Asset and Liability Committee (ALCO) provides stewardship and regularly reviews the Group's Interest Rate Risk in the Banking Book (IRRBB) profiles to ensure alignment with its business strategies and risk appetite, taking into account prevailing macroeconomic and market developments.

## 38. Risk Management (continued)

### 38.3 Market Risk and Liquidity Risk Management (continued)

#### Interest Rate Risk

IRRBB is the risk of potential loss of capital or reduction in earnings from adverse interest rate movements that affect the banking book positions. It arises from repricing mismatches between banking book assets and liabilities in terms of timing, reference interest rate indices and optionalities.

IRRBB is assessed from the perspective of both earnings and capital. Net interest income (NII) sensitivity estimates the potential change in earnings over a one-year horizon, and Economic Value of Equity (EVE) sensitivity evaluates the potential impact on the net present value of banking book positions under various interest rate shock scenarios.

As at December 2025, the Group's EVE had the maximum simulated reduction of \$1,062 million (2024: \$1,016 million) under the supervisory prescribed Parallel Up<sup>(1)</sup> interest rate scenario. The higher EVE sensitivity was contributed by an increase in fixed-rate bond holdings which would have a lower economic value under a rising interest rate environment.

For the Group's NII, the scenario with the more adverse impact on net interest income was the Parallel Down<sup>(1)</sup> scenario, with a simulated decrease by \$1,951 million (2024: \$1,896 million). Compared to December 2024, the higher impact was contributed by an increase in floating rate exposures which would lead to greater reduction of interest income under a falling interest rate environment.

#### Currency Risk

The Group's major foreign exchange position for selected balance sheet items is shown below. "Others" include mainly Indonesian Rupiah, Chinese Renminbi, Australian Dollar, Euro, Japanese Yen and Sterling Pound.

\$ million	SGD	USD	MYR	HKD	Others	Total
<b>Selected balance sheet items</b>						
<b>2025</b>						
Loans to customers	127,396	71,152	19,887	32,719	85,538	336,692
Deposits of non-bank customers	162,472	146,229	22,241	35,094	62,250	428,286
<b>2024</b>						
Loans to customers	117,449	67,757	18,383	34,497	77,010	315,096
Deposits of non-bank customers	144,455	135,090	21,064	37,331	52,747	390,687

#### Structural Foreign Exchange Risk

Structural foreign exchange (SFX) exposures arise from the Group's non-SGD investments in overseas branches, subsidiaries, other strategic investments and property assets. The Group monitors the SFX impact on its capital and Capital Adequacy Ratio (CAR) stability and conducts regular stress tests to ensure that potential losses under severe market stress scenarios remain within the Group's risk tolerance.

\$ million	2025			2024		
	Structural currency exposure	Structural currency exposure – hedged	Net structural currency exposure	Structural currency exposure	Structural currency exposure – hedged	Net structural currency exposure
Hong Kong Dollar	6,405	3,161	3,244	6,694	3,043	3,651
Chinese Renminbi	10,472	6,684	3,788	9,984	3,999	5,985
US Dollar	4,568	3,580	988	4,593	3,790	803
Malaysian Ringgit	3,884	1,142	2,742	3,498	304	3,194
Indonesia Rupiah	2,940	–	2,940	2,992	–	2,992
Others	2,762	204	2,558	2,500	–	2,500
<b>Total</b>	<b>31,031</b>	<b>14,771</b>	<b>16,260</b>	<b>30,261</b>	<b>11,136</b>	<b>19,125</b>

<sup>(1)</sup> Parallel Up/(Down) scenario assumes the yield curves to move parallel upward (downward) with different shocks for different currencies based on supervisory prescriptions.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 38. Risk Management (continued)

### 38.3 Market Risk and Liquidity Risk Management (continued)

#### Liquidity Risk

Liquidity risk refers to the risk of not being able to meet financial and cash outflow obligations as they come due. The aim of liquidity risk management is to ensure that the Group can meet its financial obligations and support new business opportunities by effectively managing liquidity and funding risks within its risk appetite.

The Group continuously monitors liquidity risk positions against approved liquidity risk limits and triggers, aligned with the Group's risk appetite and regulatory requirements. Rigorous review and oversight processes are in place to facilitate prompt escalation and remediation of any limit exceptions.

The table below analyses the carrying amount of assets and liabilities of the Group into maturity time bands based on the remaining term to contractual maturity as at the reporting date.

\$ million	Within 1 week	1 week to 1 month	1 to 3 months	3 to 12 months	1 to 3 years	Over 3 years	No specific maturity	Total
<b>2025</b>								
Cash and placements with central banks	12,409	2,462	9,119	553	–	#	6,213	30,756
Placements with and loans to banks	6,378	3,119	9,211	14,721	2,407	665	–	36,501
Loans to customers	22,193	40,393	23,223	44,471	65,640	140,772	–	336,692
Securities <sup>(1)</sup>	2,095	3,281	9,509	26,780	36,253	30,306	11,447	119,671
Derivative receivables	12,782	#	10	72	99	72	–	13,035
Other assets <sup>(2)</sup>	5,026	2,384	534	920	371	369	1,882	11,486
Associates	–	19	2	164	18	–	8,596	8,799
Property, plant and equipment and investment property <sup>(3)</sup>	–	–	5	–	–	–	4,075	4,080
Goodwill and other intangible assets	–	–	–	–	–	–	4,360	4,360
<b>Total</b>	<b>60,883</b>	<b>51,658</b>	<b>51,613</b>	<b>87,681</b>	<b>104,788</b>	<b>172,184</b>	<b>36,573</b>	<b>565,380</b>
Total life insurance fund assets								110,308
<b>Total assets</b>								<b>675,688</b>
Deposits of non-bank customers	248,881	49,112	59,177	68,730	1,747	639	–	428,286
Deposits and balances of banks	12,218	1,579	1,387	63	–	33	–	15,280
Trading portfolio liabilities	–	–	191	–	–	–	6	197
Derivative payables	13,453	103	128	194	131	69	–	14,078
Other liabilities <sup>(4)</sup>	5,487	1,911	1,485	2,759	275	152	1,418	13,487
Debt issued	2,092	2,374	9,146	6,018	6,109	4,743	–	30,482
<b>Total</b>	<b>282,131</b>	<b>55,079</b>	<b>71,514</b>	<b>77,764</b>	<b>8,262</b>	<b>5,636</b>	<b>1,424</b>	<b>501,810</b>
Total life insurance fund liabilities								110,308
<b>Total liabilities</b>								<b>612,118</b>
<b>Net liquidity gap</b>	<b>(221,248)</b>	<b>(3,421)</b>	<b>(19,901)</b>	<b>9,917</b>	<b>96,526</b>	<b>166,548</b>		

(1) Securities comprise government, debt and equity securities. Securities at FVTPL (Note 39) are expected to be recovered or settled within 12 months.

(2) Other assets include deferred tax assets.

(3) Property, plant and equipment and investment property include assets held for sale.

(4) Other liabilities include amounts due to associates, current tax and deferred tax liabilities.

## 38. Risk Management (continued)

### 38.3 Market Risk and Liquidity Risk Management (continued)

#### Liquidity Risk (continued)

\$ million	Within 1 week	1 week to 1 month	1 to 3 months	3 to 12 months	1 to 3 years	Over 3 years	No specific maturity	Total
<b>2024</b>								
Cash and placements with central banks	14,461	6,781	7,498	85	–	–	5,774	34,599
Placements with and loans to banks	8,062	4,218	8,821	17,299	2,253	440	–	41,093
Loans to customers	25,253	30,928	22,132	35,682	63,598	137,503	–	315,096
Securities <sup>(1)</sup>	750	3,420	5,744	15,633	30,948	24,315	7,288	88,098
Derivative receivables	16,667	17	51	271	146	51	–	17,203
Other assets <sup>(2)</sup>	3,463	2,185	610	831	283	492	1,112	8,976
Associates	–	–	1	–	–	–	8,152	8,153
Property, plant and equipment and investment property <sup>(3)</sup>	–	–	–	–	–	–	3,721	3,721
Goodwill and other intangible assets	–	–	–	–	–	–	4,504	4,504
<b>Total</b>	<b>68,656</b>	<b>47,549</b>	<b>44,857</b>	<b>69,801</b>	<b>97,228</b>	<b>162,801</b>	<b>30,551</b>	<b>521,443</b>
Total life insurance fund assets								103,607
<b>Total assets</b>								<b>625,050</b>
Deposits of non-bank customers	221,882	48,789	61,567	55,873	1,757	819	–	390,687
Deposits and balances of banks	9,061	1,149	1,292	42	–	21	–	11,565
Trading portfolio liabilities	59	–	218	–	–	–	4	281
Derivative payables	15,719	28	37	377	49	28	–	16,238
Other liabilities <sup>(4)</sup>	3,568	1,519	1,614	2,337	280	130	1,291	10,739
Debt issued	821	4,842	10,202	7,995	5,783	1,910	–	31,553
<b>Total</b>	<b>251,110</b>	<b>56,327</b>	<b>74,930</b>	<b>66,624</b>	<b>7,869</b>	<b>2,908</b>	<b>1,295</b>	<b>461,063</b>
Total life insurance fund liabilities								103,607
<b>Total liabilities</b>								<b>564,670</b>
<b>Net liquidity gap</b>	<b>(182,454)</b>	<b>(8,778)</b>	<b>(30,073)</b>	<b>3,177</b>	<b>89,359</b>	<b>159,893</b>		

(1) Securities comprise government, debt and equity securities. Securities at FVTPL (Note 39) are expected to be recovered or settled within 12 months.

(2) Other assets include deferred tax assets.

(3) Property, plant and equipment and investment property include assets held for sale.

(4) Other liabilities include amounts due to associates, current tax and deferred tax liabilities.

As contractual maturities may not necessarily reflect the timing of actual cash flows of assets and liabilities, cash flows for profiling liquidity risk are on contractual and behavioural bases. The cash flows of assets and liabilities may be different from their contractual terms.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 38. Risk Management (continued)

### 38.3 Market Risk and Liquidity Risk Management (continued)

#### Contractual Maturity for Financial Liabilities

The table below shows the undiscounted cash outflows of the Group's financial liabilities by remaining contractual maturities, except for trading portfolio liabilities which are profiled in accordance with the Group's trading strategies. Information on cash outflows of gross loan commitments is set out in Note 43. The behavioural cash flows of these liabilities could vary significantly from what is shown in the table. For example, demand deposits of non-bank customers, such as current and savings deposits (Note 17) may exhibit a longer behavioural maturity beyond the contractual profile. Similarly, loan commitments are not all expected to be drawn down immediately.

\$ million	Within 1 week	1 week to 1 month	1 to 3 months	3 to 12 months	1 to 3 years	Over 3 years	Total
<b>2025</b>							
Deposits of non-bank customers <sup>(1)</sup>	249,170	49,420	59,886	69,776	1,805	661	430,718
Deposits and balances of banks <sup>(1)</sup>	12,236	1,582	1,395	65	–	33	15,311
Trading portfolio liabilities	–	–	197	–	–	–	197
Other liabilities <sup>(2)</sup>	4,422	2,406	884	1,264	241	156	9,373
Debt issued	2,094	2,379	9,207	6,316	6,615	5,312	31,923
Derivatives							
Trading	13,440	–	–	–	–	–	13,440
Hedging – Net settled	7	(1)	6	21	69	9	111
Hedging – Gross settled							
Outflow	3	3,686	4,615	8,342	1,421	19	18,086
Inflow	(5)	(3,600)	(4,533)	(8,284)	(1,402)	(19)	(17,843)
	281,367	55,872	71,657	77,500	8,749	6,171	501,316

#### 2024

Deposits of non-bank customers <sup>(1)</sup>	222,014	49,208	62,551	57,159	1,836	861	393,629
Deposits and balances of banks <sup>(1)</sup>	9,063	1,155	1,302	44	–	21	11,585
Trading portfolio liabilities	59	–	222	–	–	–	281
Other liabilities <sup>(2)</sup>	3,356	1,074	1,040	984	254	132	6,840
Debt issued	826	4,856	10,234	8,081	6,987	2,111	33,095
Derivatives							
Trading	15,718	–	–	–	–	–	15,718
Hedging – Net settled	2	4	27	50	39	9	131
Hedging – Gross settled							
Outflow	96	3,306	3,042	13,310	1,354	603	21,711
Inflow	(111)	(3,286)	(3,057)	(13,226)	(1,415)	(624)	(21,719)
	251,023	56,317	75,361	66,402	9,055	3,113	461,271

<sup>(1)</sup> Interest cash flows of bank and non-bank deposits are included in the respective deposit lines based on interest payment dates.

<sup>(2)</sup> Other liabilities include amounts due to associates.

#### Information Security and Digital Risk

Information security and digital risk is the risk of data loss, financial loss, or disruption to financial services due to data leaks, cyber-attacks or technology failures.

#### Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, systems, or from external events. It covers a range of non-financial risks, including fraud, money laundering, terrorism financing and sanctions risk, third-party risk, physical security risk, conduct risk, business continuity risk, regulatory risk and legal risk.

## 38. Risk Management (continued)

### 38.3 Market Risk and Liquidity Risk Management (continued)

#### Hedging

The Group enters into hedging transactions to manage exposures to market risks. The tables below summarises the effects of hedge accounting applied by the Group on the hedging instruments.

GROUP (\$ million)	2025			2024		
	Principal notional amount	Derivative receivables	Derivative payables	Principal notional amount	Derivative receivables	Derivative payables
<b>Included items designated for hedges:</b>						
Fair value/cash flow hedge – FED	19,153	141	323	18,077	381	150
Fair value/cash flow hedge – IRD	37,643	81	133	30,230	172	105
Hedge of net investments – FED	12,570	50	181	8,245	21	265
	<b>69,366</b>	<b>272</b>	<b>637</b>	<b>56,552</b>	<b>574</b>	<b>520</b>

BANK (\$ million)	2025			2024		
	Principal notional amount	Derivative receivables	Derivative payables	Principal notional amount	Derivative receivables	Derivative payables
<b>Included items designated for hedges:</b>						
Fair value/cash flow hedge – FED	24,290	139	448	21,143	247	397
Fair value/cash flow hedge – IRD	30,083	67	107	23,244	126	96
Hedge of net investments – FED	196	–	8	86	–	16
	<b>54,569</b>	<b>206</b>	<b>563</b>	<b>44,473</b>	<b>373</b>	<b>509</b>

For the fair value hedges, the carrying amount at 31 December 2025 relating to the assets and liabilities designated as hedged items were \$32,444 million and \$10,841 million (2024: \$22,192 million and \$7,533 million) respectively. The hedged items were mainly fixed-rate debt securities held (financial assets) and debt securities issued (financial liabilities).

For the cash flow hedges, the carrying amount at 31 December 2025 relating to the assets and liabilities designated as hedged items were \$12,268 million and \$540 million (2024: \$13,164 million and \$1,039 million) respectively. The hedged items were mainly variable rate loans (financial assets).

#### Net Investment Hedges

The amounts relating to items designated as hedging instruments were as follows.

\$ million	Nominal amount	Carrying amount	
		Assets	Liabilities
<b>2025</b>			
Foreign exchange derivatives	12,570	50	181
Subordinated debt/ Deposits of non-bank customers	3,162	–	3,169
<b>2024</b>			
Foreign exchange derivatives	8,245	21	265
Subordinated debt	2,948	–	2,890

The total change in fair value of the hedging instruments during the year was a gain of \$343 million (2024: loss of \$222 million), of which a gain of \$352 million (2024: loss of \$223 million) was recognised in OCI, while hedge ineffectiveness of a loss of \$9 million (2024: gain of \$1 million) was recognised immediately in the income statement as part of net trading income.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 38. Risk Management (continued)

### 38.4 Insurance-Related Risk Management

This note sets out the risk management information of GEH Group.

#### Governance Framework

Managing risk is an integral part of GEH Group's core business and processes. GEH Group operates within parameters and limits that are calibrated to the risk appetite approved by the GEH Board, and ensure commensurate returns for any risk taken.

GEH Group Risk Management department spearheads the development and implementation of the Enterprise Risk Management (ERM) Framework for GEH Group.

GEH Board provides oversight in ensuring that the activities of GEH Group are consistent with the strategic intent, risk appetite, operating environment, effective internal controls, capital sufficiency and regulatory requirements. GEH Board may delegate this responsibility to the Risk Management Committee (RMC) and Senior Management of GEH Group for the execution of these initiatives. At GEH Group level, detailed risk management and oversight activities are undertaken by the following Group Management committees, all of which are chaired by GEH Group Chief Executive Officer and comprise key Senior Management Executives, namely: GEH Group Management Committee (GMC), GEH Group Asset-Liability Committee (Group ALC), GEH Group Investment Committee (Group IC), GEH Group Product Management and Approval Committee (GPMAC) and GEH Group Technology and Data Strategy Committee (Group TDSC).

GMC is responsible for providing leadership and direction with regards to all major operational and business issues and sustainable performance of GEH Group. The GMC ensures that GEH Group is operating within the risk appetite set by GEH Board; and in compliance and alignment with GEH Group's standards and guidelines. The GMC is supported by the GEH Group IC, GEH Group ALC, GEH GPMAC, GEH Group TDSC, Local Senior Management Team (SMT), Local ALC, Local Product Development Committee (PDC) and Local IT Steering Committee (ITSC).

GEH Group IC is responsible for the oversight of all investment management activities involving the asset side returns and risks of GEH Group, with the fiduciary responsibility to act in the best interest of the clients, to achieve returns commensurate with the assumed risks. It is also responsible to provide transparency and disclosure and the monitoring and the review of the insurance funds.

GEH Group ALC is responsible for Balance Sheet Management, involving interactions between assets and liabilities (including Asset-Liability Management, Liquidity Management, and Investment Management). Specifically, GEH Group ALC reviews and formulates technical frameworks, policies and methodology relating to balance sheet management. GEH Group ALC is supported by the Local ALC.

GEH Group TDSC is responsible for assisting GMC in providing overall strategic direction and approval of all IT and data related architecture, initiatives and issues to support the Group's strategic growth into the future. Local ITSC supports GEH Group TDSC in the alignment of overall direction and approval of all IT and data related issues and initiatives at the local operating subsidiaries.

GEH GPMAC is responsible for the product management across GEH Group's insurance entities, this includes product reviews and product approvals. GEH GPMAC reviews and establishes frameworks and policies for product approvals and product reviews at the GEH Group level. Local PDCs support GEH GPMAC in executing these responsibilities.

#### Regulatory Framework

As set out in GEH Group's Compliance Risk Management Framework, GEH Group operates its business on a sound and responsible basis, which entails compliance with the applicable laws, regulations, rules and standards.

Insurers are required to comply with the Insurance Act 1966 and relevant regulatory requirements. GEH Board exercises oversight of compliance with the applicable laws, regulations, rules and standards to safeguard the interests of policyholders and shareholders.

## **38. Risk Management (continued)**

### **38.4 Insurance-Related Risk Management (continued)**

#### **Capital Management**

The objectives of GEH Group's capital management policy are to create shareholder value, deliver sustainable returns to shareholders, and maintain a sound capital position with sufficient buffer to meet policyholders' obligations and regulatory requirements.

GEH Group has increased its focus on improving capital efficiency and has issued Tier 2 capital in 2024 and Additional Tier 1 capital in 2025 to diversify the capital mix and improve the return on ordinary share capital. In addition, there is also increasing focus to centralise the surplus capital at GEH Group holding level and allocate to its subsidiaries as needed for more efficient management of surplus capital.

#### **Regulatory Capital**

GEH Group and its insurance subsidiaries are required to comply with the capital requirements prescribed by the Insurance Regulations of the jurisdictions in which they operate. The Capital Adequacy Ratios of GEH Group and its insurance subsidiaries in Singapore, Malaysia and Indonesia are above the regulatory minimum ratios under the Risk-based Capital Frameworks established by the Monetary Authority of Singapore (MAS), Bank Negara Malaysia (BNM) and Otoritas Jasa Keuangan, Indonesia respectively.

GEH Group's approach to capital management is to maintain a prudent level of capital to meet minimum regulatory requirements with sufficient buffer for business purposes. To this end, GEH Group manages asset liability decisions and the associated risks in a coordinated way by assessing and monitoring the available and required capital (of GEH Group and each regulated entity) on a regular basis and, where necessary, taking appropriate actions to adjust the asset liability positions of GEH Group and/or the entity in response to changes in economic conditions and risk characteristics.

The primary sources of capital of GEH Group are shareholders' equity and alternative capital raised. GEH Group defines available capital as the amount of assets and any applicable regulatory adjustments (such as allowance of negative reserves and provision for Participating plan's non-guaranteed benefits) in excess of liabilities and required capital measured in accordance with the Insurance Regulations of the respective jurisdictions in which the insurance subsidiaries operate.

The following sections provide details of GEH Group's exposure to insurance and key financial risks, as well as the objectives, policies and processes for managing these risks.

There has been no change to GEH Group's exposure to these insurance and key financial risks or the manner in which it manages and measures the risks.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 38. Risk Management (continued)

### 38.4 Insurance-Related Risk Management (continued)

#### Insurance Risk

The principal activity of GEH Group is the provision of insurance products and related financial advisory services. The products cover risks such as mortality, morbidity (health, disability, critical illness, personal accident), property and casualty and wealth accumulation.

GEH Group's underwriting strategy is designed to ensure that risks are well diversified across the types of risk and level of insurance exposure. This is largely achieved through diversification across industry sectors and geography. Additionally, the use of medical screening ensures that pricing takes into account current health conditions and family medical history. There is also regular review of actual claims experience, as well as detailed claims handling procedures. Underwriting limits are also established to enforce appropriate risk acceptance criteria. For example, GEH Group has the right to reject renewal of insurance policy, impose deductibles and reject payment of fraudulent claims.

Risks inherent in GEH Group's activities include but are not limited to the following:

#### **Insurance Risks of Life Insurance Contracts**

Insurance risks arise when GEH Group underwrites insurance contracts. The types of risks insured, assumptions used in pricing the insurance products and subsequent setting aside of provisions may give rise to potential shortfalls in provision for future claims and expenses when actual claims experience are worse than projections. Assumptions that may cause insurance risks to be underestimated include assumptions on policy lapses, mortality, morbidity and expenses.

GEH Group utilises reinsurance to manage the mortality and morbidity risks. GEH Group's reinsurance management policy is reviewed annually by GEH Group ALC and GEH Group RMC. Reinsurance is structured according to the type of risk reinsured. Catastrophe reinsurance is procured to limit catastrophic losses.

In general, reinsurance business will only be ceded to reinsurers with a minimum credit rating of S&P A- or equivalent. GEH Group limits its risk to any one reinsurer by ceding different products to different reinsurers or to a panel of reinsurers.

GEH Group ALC reviews the actual experience of mortality, morbidity, and persistency and ensures that the policies, guidelines and limits established for managing the risks remain prudent and appropriate. GEH GMC reviews and monitors expenses.

A substantial portion of GEH Group's life insurance funds is participating in nature. In the event of volatile investment climate and/or unusual claims experience, the insurer has the option of revising the bonus payable to policyholders.

For non-participating funds, the risk is that the guaranteed policy benefits must be met even when investment portfolios perform below expectations, or claims experience is higher than expected.

For universal life portfolio, GEH Group has the discretion of revising the crediting rates or cap rates to policyholders in the event of adverse experience subject to the minimum guaranteed crediting rate or cap rate.

For investment-linked funds, the risk exposure for GEH Group is limited only to the underwriting aspect as all investment risks are borne by the policyholders. Nevertheless, the fees earned by GEH Group for managing the investment-linked funds would fluctuate with the changes in underlying fund values.

Stress testing is performed at least once a year to assess the solvency of the life insurance fund under various stress scenarios. The stress scenarios include regulatory prescribed scenarios, as well as scenarios depicting drastic changes in key parameters such as new business volume, market volatilities, expense patterns, mortality/morbidity patterns and lapse rates.

## 38. Risk Management (continued)

### 38.4 Insurance-Related Risk Management (continued)

#### Insurance Risk (continued)

#### Insurance Risks of Life Insurance Contracts (continued)

The table below sets out the concentration of the insurance contract liabilities by distribution of the various life insurance risk as at year end.

\$ million	Gross	Reinsurance	Net total
<b>(a) By class of business</b>			
<b>2025</b>			
Whole life	72,352	(475)	71,877
Endowment	31,230	(54)	31,176
Term	3,045	(772)	2,273
Annuity	381	–	381
Others	76	2	78
<b>Total</b>	<b>107,084</b>	<b>(1,299)</b>	<b>105,785</b>
<b>2024</b>			
Whole life	65,557	(95)	65,462
Endowment	32,317	(25)	32,292
Term	2,265	(568)	1,697
Annuity	380	–	380
Others	93	1	94
<b>Total</b>	<b>100,612</b>	<b>(687)</b>	<b>99,925</b>
<b>(b) By country</b>			
<b>2025</b>			
Singapore	74,436	(1,186)	73,250
Malaysia	31,081	(108)	30,973
Others	1,567	(5)	1,562
<b>Total</b>	<b>107,084</b>	<b>(1,299)</b>	<b>105,785</b>
<b>2024</b>			
Singapore	70,211	(655)	69,556
Malaysia	28,965	(30)	28,935
Others	1,436	(2)	1,434
<b>Total</b>	<b>100,612</b>	<b>(687)</b>	<b>99,925</b>

The sensitivity analysis below shows the impact of changes in key parameters on the value of insurance contract liabilities, and hence on the consolidated income statement and shareholders' equity.

Sensitivity analysis produced are based on parameters set out as follows:

	Change in assumptions
(a) Scenario 1 – Mortality and Morbidity	+ 10% for all future years
(b) Scenario 2 – Mortality and Morbidity	– 10% for all future years
(c) Scenario 3 – Accident and Health	+ 10% for all future years
(d) Scenario 4 – Accident and Health	– 10% for all future years
(e) Scenario 5 – Persistency	+ 25% for all future years
(f) Scenario 6 – Persistency	– 25% for all future years
(g) Scenario 7 – Renewal Expenses	+ 10% for all future years

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 38. Risk Management (continued)

### 38.4 Insurance-Related Risk Management (continued)

Insurance Risk (continued)

Insurance Risks of Life Insurance Contracts (continued)

#### Profit/(Loss) After Tax and Equity Sensitivity for the Singapore Segment

##### Impact on 1-Year's Profit/(Loss) After Tax and Equity

\$ million	Impact on Profit/(Loss) after tax			Impact on Equity		
	Gross impact	Reinsurance ceded	Net impact	Gross impact	Reinsurance ceded	Net impact
<b>2025</b>						
Scenario 1	(271)	169	(102)	(299)	190	(109)
Scenario 2	153	(119)	34	181	(140)	41
Scenario 3	(33)	1	(32)	(34)	1	(33)
Scenario 4	33	(1)	32	33	(1)	32
Scenario 5	(138)	117	(21)	(182)	122	(60)
Scenario 6	74	(83)	(9)	111	(88)	23
Scenario 7	(27)	11	(16)	(31)	11	(20)
<b>2024</b>						
Scenario 1	(267)	146	(121)	(249)	137	(112)
Scenario 2	146	(92)	54	125	(81)	44
Scenario 3	(37)	#	(37)	(37)	#	(37)
Scenario 4	36	(#)	36	36	(#)	36
Scenario 5	(81)	90	9	(97)	87	(10)
Scenario 6	4	(57)	(53)	17	(54)	(37)
Scenario 7	(61)	14	(47)	(61)	13	(48)

#### Profit/(Loss) After Tax and Equity Sensitivity for the Malaysia Segment

##### Impact on 1-Year's Profit/(Loss) After Tax and Equity

\$ million	Impact on Profit/(Loss) after tax			Impact on Equity		
	Gross impact	Reinsurance ceded	Net impact	Gross impact	Reinsurance ceded	Net impact
<b>2025</b>						
Scenario 1	(70)	11	(59)	(82)	19	(63)
Scenario 2	62	(8)	54	75	(17)	58
Scenario 3	(114)	5	(109)	(149)	6	(143)
Scenario 4	104	(5)	99	138	(6)	132
Scenario 5	32	(4)	28	36	(3)	33
Scenario 6	(30)	3	(27)	(32)	2	(30)
Scenario 7	(17)	1	(16)	(23)	1	(22)
<b>2024</b>						
Scenario 1	(61)	9	(52)	(69)	16	(53)
Scenario 2	15	(4)	11	24	(11)	13
Scenario 3	(105)	4	(101)	(130)	5	(125)
Scenario 4	6	(#)	6	30	(1)	29
Scenario 5	(6)	(1)	(7)	(6)	#	(6)
Scenario 6	(22)	3	(19)	(22)	2	(20)
Scenario 7	(15)	#	(15)	(19)	1	(18)

The tables above demonstrate the sensitivity of GEH Group's profit or loss after tax and equity to a change in actuarial valuation assumptions on an individual basis, with all other variables held constant.

The methodology for deriving sensitivities for each scenario has not changed from the previous year.

## 38. Risk Management (continued)

### 38.4 Insurance-Related Risk Management (continued)

#### Market, Credit and Liquidity Risk

Market risk arises when market values of assets and liabilities are adversely affected by changes in financial markets. Changes in interest rates, credit spreads, foreign exchange rates, equity prices and prices of alternative investment assets can impact present and future earnings of the insurance operations, as well as shareholders' equity.

GEH Group is exposed to market risk through its investment portfolios, as well as in the mismatches between assets and liabilities of the Insurance Funds. In the case of the third-party funds managed by its asset management subsidiary, Lion Global Investors Limited, investment risks are borne by investors and GEH Group does not assume any liability in the event of occurrence of loss or write-down in market valuations.

GEH Group ALC, GEH Group IC and Local ALCs actively manage market risks through the setting of investment policies and asset allocations, approving portfolio construction, risk measurement methodologies, as well as hedging and alternative risk transfer strategies. Investment limits are monitored at various levels to ensure that all investment activities are conducted within GEH Group's risk appetite and in line with GEH Group's management principles and philosophies. Compliance with established limits forms an integral part of the risk governance and financial reporting framework. The approach adopted by GEH Group in managing the various types of risks, including interest rate risk, foreign exchange risk, equity price risk, credit spread risk, alternative investment risk and liquidity risk, is briefly described below.

#### (a) Interest Rate Risk (Including Asset Liability Mismatch Risk and Basis Risk)

GEH Group is exposed to interest rate risk through (i) investments in fixed income instruments, (ii) use of derivatives to manage asset liability mismatch and (iii) policy liabilities in the Insurance Funds. Since the Shareholders' Fund has exposure to investments in fixed income instruments but no exposure to insurance policy liabilities, it will incur economic losses when interest rates rise. Given the long duration of policy liabilities and the uncertainties in the cash flows of Insurance Funds, it is not possible to hold assets with duration or same reference interest rate that perfectly match the duration of the policy liabilities. This results in interest rate risk, asset liability mismatch risk and basis risk, which are managed and monitored by GEH Group ALC and Local ALCs.

Where the liabilities of the portfolios are predominantly measured using the VFA and the backing assets are measured at FVTPL, the changes in liabilities due to interest rates are expected to closely match the changes in assets.

For portfolios whose liabilities are predominantly measured using the GMM and Modified GMM, and have elected to disaggregate the insurance finance income and expenses between the income statement and other comprehensive income, the backing assets would also have a similar option elected. Therefore, the effect of changes in assets due to interest rates are also expected to closely match changes in liabilities in profit or loss.

#### (b) Foreign Exchange Risk

GEH Group's foreign exchange risk arises from assets and liabilities backing insurance operations which are not currency matched, and structural positions arising from GEH Group's investments in overseas subsidiaries or joint ventures. The foreign exchange risk inherent in foreign currency fixed income portfolio is typically hedged using currency forwards and swaps wherever practical and cost-effective. Foreign exchange instruments are also used for efficient portfolio management.

Foreign exchange positions, whether arising from insurance operations or from structural positions are regularly monitored. Limits are set to cap GEH Group's foreign exchange risk.

The SGD and MYR positions predominately arose from the entities within GEH Group with the same respective functional currencies.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 38. Risk Management (continued)

### 38.4 Insurance-Related Risk Management (continued)

#### Market, Credit and Liquidity Risk (continued)

#### (b) Foreign Exchange Risk (continued)

The tables below show the foreign exchange position of GEH Group's financial and insurance-related assets and liabilities by major currencies.

\$ million	SGD	MYR	USD	Others	Total
<b>2025</b>					
Financial assets at FVOCI					
Equity securities	108	298	199	668	1,273
Debt securities	4,230	2,191	3,763	410	10,594
Financial assets at FVTPL					
Equity securities	1,190	8,189	1,878	4,714	15,971
Debt securities	14,789	18,732	14,091	3,936	51,548
Other investments	15,419	403	10,695	2,828	29,345
Financial assets at amortised cost					
Debt securities	–	–	240	–	240
Derivative financial assets	23,031	92	(20,451)	(2,181)	491
Loans	531	65	–	1,108	1,704
Other debtors	618	187	483	135	1,423
Cash and cash equivalents	2,623	853	1,200	451	5,127
Insurance contract assets	9	103	10	–	122
Reinsurance contract assets	905	293	436	92	1,726
<b>Financial and insurance-related assets</b>	<b>63,453</b>	<b>31,406</b>	<b>12,544</b>	<b>12,161</b>	<b>119,564</b>
Other creditors	1,066	409	318	109	1,902
Derivative financial liabilities	(1,045)	(11)	(2,415)	3,687	216
Provision for agents' retirement benefits	6	378	–	–	384
Borrowings	499	180	–	–	679
Insurance contract liabilities	70,216	31,408	5,216	952	107,792
Reinsurance contract liabilities	34	81	20	–	135
<b>Financial and insurance-related liabilities</b>	<b>70,776</b>	<b>32,445</b>	<b>3,139</b>	<b>4,748</b>	<b>111,108</b>
<b>2024</b>					
Financial assets at FVOCI					
Equity securities	158	263	376	978	1,775
Debt securities	5,555	1,873	4,217	505	12,150
Financial assets at FVTPL					
Equity securities	993	7,716	1,522	3,662	13,893
Debt securities	15,859	16,833	12,610	4,160	49,462
Other investments	12,582	302	9,719	1,927	24,530
Financial assets at amortised cost					
Debt securities	2	–	455	52	509
Derivative financial assets	2,164	74	4,515	(6,382)	371
Loans	506	70	–	760	1,336
Other debtors	457	237	656	86	1,436
Cash and cash equivalents	1,829	1,266	938	366	4,399
Insurance contract assets	–	69	18	16	103
Reinsurance contract assets	700	291	109	8	1,108
<b>Financial and insurance-related assets</b>	<b>40,805</b>	<b>28,994</b>	<b>35,135</b>	<b>6,138</b>	<b>111,072</b>
Other creditors	832	336	97	38	1,303
Derivative financial liabilities	(21,752)	(51)	22,657	(127)	727
Provision for agents' retirement benefits	3	340	–	–	343
Borrowings	499	23	–	–	522
Insurance contract liabilities	66,553	29,325	4,564	821	101,263
Reinsurance contract liabilities	71	96	11	–	178
<b>Financial and insurance-related liabilities</b>	<b>46,206</b>	<b>30,069</b>	<b>27,329</b>	<b>732</b>	<b>104,336</b>

## **38. Risk Management (continued)**

### **38.4 Insurance-Related Risk Management (continued)**

#### **Market, Credit and Liquidity Risk (continued)**

##### **(c) Equity Price Risk**

Exposure to equity price risk exists in investment assets through direct equity, equity derivatives and fund investments, where GEH Group, through investments, bears all or most of the equity volatility and investment risks. Equity price risk also exists in investment-linked products where the revenues of the insurance operations are linked to the performances of underlying equity funds since this has an impact on the level of fees earned. Limits are set for single security holdings as a percentage of total equity holdings.

##### **(d) Credit Spread Risk**

Exposure to credit spread risk exists in GEH Group's bond investments. Credit spread is the difference between the quoted yields of a credit and a government bond of the same maturity. Credit spreads widen when the default risk of credit bonds increases. Hence, widening credit spreads will result in mark-to-market losses in GEH Group's bond portfolio.

##### **(e) Alternative Investment Risk**

GEH Group is exposed to alternative investment risk through investments in real estate that it owns in Singapore and Malaysia, and through real estate funds, private equities, private debt, infrastructure and hedge funds. A monitoring process is established to manage foreign exchange, country and manager concentration risks. This process and the acquisition or divestment of alternative investments are reviewed and approved by GEH Group RMC and GEH Group IC.

##### **(f) Commodity Risk**

GEH Group does not have any exposure to commodity risk.

##### **(g) Liquidity Risk**

Liquidity risk arises when GEH Group is unable to meet its cash flow demands, or if the assets backing the liabilities cannot be sold quickly enough without incurring significant losses. For an insurance company, the greatest liquidity needs typically arise from its insurance liabilities. Demands for funds can usually be met through ongoing normal operations via premiums received, sale of assets or borrowings. Unexpected demands for liquidity may be triggered by surrender of insurance policies due to negative publicity, deterioration of the economy, adverse news on other companies in the same or similar lines of business, unanticipated policy claims, other unexpected cash demands from policyholders or derivative margin requirements.

Expected liquidity demands are managed through a combination of treasury, investment and asset-liability management practices, which are monitored on an ongoing basis. Actual and projected cash inflows and outflows are regularly monitored, and a reasonable amount of liquid assets are maintained at all times. The projected cash flows from the in-force insurance policy contract liabilities consist of renewal premiums, commissions, claims, maturities and surrenders. Renewal premiums, commissions, claims and maturities are generally stable and predictable. Surrenders can be more uncertain although these have been quite stable over the past several years.

Unexpected liquidity demands are mitigated through product design, risk diversification, credit facilities, investment strategies and systematic monitoring. Surrender penalty in insurance contracts also protects GEH Group from losses due to unexpected surrender trends and reduces the sensitivity of surrenders to changes in interest rates.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 38. Risk Management (continued)

### 38.4 Insurance-Related Risk Management (continued)

#### Market, Credit and Liquidity Risk (continued)

##### (g) Liquidity Risk (continued)

The following tables show the expected recovery or settlement of financial assets and maturity profile of GEH Group's financial liabilities which are presented based on contractual undiscounted cash flows basis.

\$ million	Carrying amount	Less than 1 year	1 to 5 years	Over 5 years	No maturity date	Total
<b>2025</b>						
Financial assets at FVOCI						
Equity securities	1,273	–	–	–	1,273	1,273
Debt securities	10,594	1,000	3,888	9,896	–	14,784
Financial assets at FVTPL						
Equity securities	15,971	34	–	–	15,937	15,971
Debt securities	51,548	3,854	16,706	50,411	506	71,477
Other investments	29,345	–	–	–	29,345	29,345
Financial assets at amortised cost						
Debt securities	240	17	61	431	–	509
Derivative financial assets	491	309	81	101	–	491
Loans	1,704	415	1,071	239	–	1,725
Other debtors	1,423	1,412	3	9	#	1,424
Cash and cash equivalents	5,127	5,127	–	–	–	5,127
<b>Financial assets</b>	<b>117,716</b>	<b>12,168</b>	<b>21,810</b>	<b>61,087</b>	<b>47,061</b>	<b>142,126</b>
Other creditors						
	1,863	1,837	16	1	9	1,863
Lease liabilities						
	38	14	28	–	–	42
Derivative financial liabilities						
	216	168	8	40	–	216
Provision for agents' retirement benefits						
	385	210	66	109	–	385
Borrowings						
	679	19	102	721	–	842
<b>Financial liabilities</b>	<b>3,181</b>	<b>2,248</b>	<b>220</b>	<b>871</b>	<b>9</b>	<b>3,348</b>
<b>2024</b>						
Financial assets at FVOCI						
Equity securities	1,775	–	–	–	1,775	1,775
Debt securities	12,150	2,540	4,749	9,231	–	16,520
Financial assets at FVTPL						
Equity securities	13,893	–	–	–	13,893	13,893
Debt securities	49,462	4,149	17,370	46,553	1,352	69,424
Other investments	24,530	–	–	–	24,530	24,530
Financial assets at amortised cost						
Debt securities	509	19	506	–	–	525
Derivative financial assets	371	211	103	57	–	371
Loans	1,336	124	982	247	–	1,353
Other debtors	1,436	1,430	2	4	–	1,436
Cash and cash equivalents	4,399	4,399	–	–	–	4,399
<b>Financial assets</b>	<b>109,861</b>	<b>12,872</b>	<b>23,712</b>	<b>56,092</b>	<b>41,550</b>	<b>134,226</b>
Other creditors						
	1,255	1,214	4	1	37	1,256
Lease liabilities						
	48	13	39	–	–	52
Derivative financial liabilities						
	727	682	6	39	–	727
Provision for agents' retirement benefits						
	343	178	64	102	–	344
Borrowings						
	522	20	101	587	–	708
<b>Financial liabilities</b>	<b>2,895</b>	<b>2,107</b>	<b>214</b>	<b>729</b>	<b>37</b>	<b>3,087</b>

## 38. Risk Management (continued)

### 38.4 Insurance-Related Risk Management (continued)

#### Market, Credit and Liquidity Risk (continued)

##### (g) Liquidity Risk (continued)

The following tables show the maturity profile of insurance contracts issued and reinsurance contracts held that are liabilities of GEH Group based on the estimates of the present value of the future cash flows expected to be paid out in the periods presented.

\$ million	Up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total
<b>2025</b>							
Insurance contract liabilities	13,588	2,743	3,246	3,005	2,507	70,505	95,594
Reinsurance contract liabilities held	51	13	13	10	9	70	166
<b>Total</b>	<b>13,639</b>	<b>2,756</b>	<b>3,259</b>	<b>3,015</b>	<b>2,516</b>	<b>70,575</b>	<b>95,760</b>
<b>2024</b>							
Insurance contract liabilities	11,117	6,898	2,466	3,238	3,053	63,305	90,077
Reinsurance contract liabilities held	110	17	17	11	10	78	243
<b>Total</b>	<b>11,227</b>	<b>6,915</b>	<b>2,483</b>	<b>3,249</b>	<b>3,063</b>	<b>63,383</b>	<b>90,320</b>

#### Amounts Payable on Demand

The amounts payable on demand are as follows.

\$ million	2025		2024	
	Amounts payable on demand	Carrying amount	Amounts payable on demand	Carrying amount
Universal life contracts	5,254	5,482	4,091	4,298
Investment-linked contracts	12,461	13,801	10,411	11,256
Participating contracts	53,652	64,335	51,978	60,779
<b>Total</b>	<b>71,367</b>	<b>83,618</b>	<b>66,480</b>	<b>76,333</b>

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 38. Risk Management (continued)

### 38.4 Insurance-Related Risk Management (continued)

#### Market, Credit and Liquidity Risk (continued)

##### (h) Credit Risk

Credit risk is the risk of loss arising from an obligor failing to discharge an obligation. GEH Group is mainly exposed to credit risk through (i) investments in cash and bonds, (ii) corporate lending activities and (iii) exposure to counterparty's credit risk in derivative transactions and reinsurance contracts. For all three types of exposures, financial loss may materialise as a result of a downgrading of credit rating or credit default by the borrower or counterparty.

GEH group wide credit risk is managed by GEH Group ALC. GEH Group establishes internal limits by issuer and counterparty according to their investment credit rating which are actively monitored to manage the credit and concentration risk, and are reviewed on a regular basis. The creditworthiness of reinsurers is assessed on an annual basis by reviewing their financial strength through published credit ratings and other publicly available information. The task of evaluating and monitoring credit risk at the GEH subsidiary level is undertaken by Local ALCs.

Reinsurance is placed with counterparties that have a good credit rating and concentration of risk is mitigated through counterparty limits that are reviewed and approved on an annual basis.

Credit risk arising from customer balances incurred on non-payment of premiums or contributions will only persist during the grace period specified in the policy document or trust deed until expiry, when the policy is either paid up or terminated.

GEH Group issues unit-linked investment policies in which the policyholder bears the investment risk on the assets held in the unit-linked funds as the policy benefits are directly linked to the value of the assets in the fund. Therefore, GEH Group has no material credit risk or market risk on unit-linked financial assets.

The loans in GEH Group's portfolio are mostly secured by collateral, with average portfolio loan-to-value ratio below 60%. The amount and type of collateral required depend on an assessment of the credit risk of the counterparty. Guidelines on the collateral eligibility have been established, and all collateral are revalued on a regular basis. GEH management monitors the market values of the collateral, requests additional collateral when needed and performs an impairment valuation when applicable. The fair values of collateral, held by GEH Group as lender, for which it is entitled to sell or pledge in the event of default is as tabulated below:

\$ million	Type of collateral	2025		2024	
		Carrying amount	Fair value	Carrying amount	Fair value
Secured loans	Properties	1,313	2,414	944	1,705
Secured loans	Others	54	84	57	65
Derivatives	Cash	165	165	75	75
		1,532	2,663	1,076	1,845

There were no securities lending arrangements as at 31 December 2025 (2024: nil).

As at the reporting date, no investments (2024: nil) were placed as collateral for currency hedging purposes.

## 38. Risk Management (continued)

### 38.4 Insurance-Related Risk Management (continued)

#### Market, Credit and Liquidity Risk (continued)

##### (h) Credit Risk (continued)

The following table sets out information about the credit quality of loans and debt securities measured at amortised cost and debt securities measured at FVOCI. The maximum exposure is shown on a gross basis, before the effect of mitigation through the use of master netting or collateral agreements.

\$ million	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
<b>2025</b>				
<b>Loans and other receivables at amortised cost</b>				
Investment grade* (BBB to AAA)	1,648	61	1	1,710
Not rated	#	–	57	57
	1,648	61	58	1,767
Loss allowance	(1)	(4)	(58)	(63)
Carrying amount	1,647	57	–	1,704
<b>Debt securities at amortised cost</b>				
Investment grade* (BBB to AAA)	242	–	–	242
	242	–	–	242
Loss allowance	(2)	–	–	(2)
Carrying amount	240	–	–	240
<b>Debt securities at FVOCI</b>				
Investment grade* (BBB to AAA)	10,546	48	–	10,594
Non investment grade* (C to BB)	–	#	–	#
	10,546	48	–	10,594
<b>2024</b>				
<b>Loans and other receivables at amortised cost</b>				
Investment grade* (BBB to AAA)	1,275	66	1	1,342
Not rated	1	–	57	58
	1,276	66	58	1,400
Loss allowance	(#)	(6)	(58)	(64)
Carrying amount	1,276	60	–	1,336
<b>Debt securities at amortised cost</b>				
Investment grade* (BBB to AAA)	511	–	–	511
	511	–	–	511
Loss allowance	(2)	–	–	(2)
Carrying amount	509	–	–	509
<b>Debt securities at FVOCI</b>				
Investment grade* (BBB to AAA)	12,084	65	–	12,149
Non investment grade* (C to BB)	–	1	–	1
	12,084	66	–	12,150

(1) \* Based on internal ratings grades which are equivalent to grades of external rating agencies.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 38. Risk Management (continued)

### 38.4 Insurance-Related Risk Management (continued)

#### Market, Credit and Liquidity Risk (continued)

##### (h) Credit Risk (continued)

The following table sets out the credit analysis for financial assets and reinsurance contract assets that are not subjected to ECL.

\$ million	Investment grade (BBB to AAA)	Non investment grade (C to BB)	Not rated	Not subject to credit risk	Total carrying amount
<b>2025</b>					
Financial assets at FVOCI					
Equity securities	–	–	–	1,272	1,272
Financial assets at FVTPL					
Equity securities	34	–	–	15,937	15,971
Debt securities	50,399	745	404	–	51,548
Other investments	–	–	–	29,345	29,345
Derivative financial assets	490	–	1	–	491
Other debtors	336	1	1,087	–	1,424
Cash and cash equivalents	5,127	–	–	–	5,127
Reinsurance contract assets	1,726	–	–	–	1,726
	<b>58,112</b>	<b>746</b>	<b>1,492</b>	<b>46,554</b>	<b>106,904</b>

<b>2024</b>					
Financial assets at FVOCI					
Equity securities	–	–	–	1,775	1,775
Financial assets at FVTPL					
Equity securities	–	–	–	13,893	13,893
Debt securities	48,507	792	163	–	49,462
Other investments	–	–	–	24,530	24,530
Derivative financial assets	353	–	18	–	371
Other debtors	4	23	1,409	–	1,436
Cash and cash equivalents	4,393	6	–	–	4,399
Reinsurance contract assets	1,108	–	–	–	1,108
	<b>54,365</b>	<b>821</b>	<b>1,590</b>	<b>40,198</b>	<b>96,974</b>

##### (i) Concentration Risk

An important element of managing market, credit and liquidity risks is to actively manage concentration to specific issuers, counterparties, industry sectors, countries and currencies. Both internal and regulatory limits are put in place to manage concentration risk. These limits are reviewed on a regular basis by the respective management committees. GEH Group's exposures are within the concentration limits set by the respective local regulators.

GEH Group actively manages its investment mix to ensure that there is no significant concentration in market, credit and liquidity risks.

## 38. Risk Management (continued)

### 38.4 Insurance-Related Risk Management (continued)

#### Market, Credit and Liquidity Risk (continued)

##### (j) Sensitivity Analysis on Financial Risks

The sensitivity analysis below shows the impact on GEH Group's net profit after tax by applying possible shocks to each key variable, with all other variables constant. Co-movement of key variables can significantly affect the fair values and/or amortised cost of financial assets. To demonstrate the impact due to changes in each key variable, the variables are changed individually.

The impact on net profit after tax represents the effect caused by changes in fair value of financial assets whose fair values are recorded in the income statement, and changes in valuation of insurance and reinsurance contract liabilities/assets. The equity sensitivity represents the impact on net profit after tax and the effect on changes in fair value of financial assets measured at FVOCI and changes in insurance finance reserves.

#### Market Risk Sensitivity Analysis

\$ million	Impact on profit after tax					
	2025			2024		
	Financial assets	Insurance & reinsurance contracts	Total	Financial assets	Insurance & reinsurance contracts	Total
Change in variables:						
(a) Interest rate						
+100 basis points	(3,732)	3,593	(139)	(3,319)	3,228	(91)
-100 basis points	4,406	(4,266)	140	3,919	(3,847)	72
(b) Foreign currency						
5% increase in USD	190	(179)	11	133	(167)	(34)
5% decrease in USD	(190)	179	(11)	(133)	167	34
(c) Equity						
20% increase in market indices	4,758	(4,413)	345	3,943	(3,700)	243
20% decrease in market indices	(4,665)	4,409	(256)	(3,905)	3,660	(245)
(d) Credit						
Spread +100 basis points	(1,758)	1,679	(79)	(1,520)	1,456	(64)
Spread -100 basis points	2,000	(1,895)	105	1,676	(1,594)	82
(e) Alternative investments <sup>(1)</sup>						
10% increase in market value of all alternative investments	737	(651)	86	541	(469)	72
10% decrease in market value of all alternative investments	(737)	651	(86)	(541)	469	(72)

<sup>(1)</sup> Alternative investments comprise investments in real estate, private equity, private debt, infrastructure and hedge funds.

The above tables demonstrate the sensitivity of GEH Group's profit or loss after tax to a change in the specified variables on an individual basis with all other variables held constant.

The methodology for deriving sensitivities has not changed from the previous year.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 38. Risk Management (continued)

### 38.4 Insurance-Related Risk Management (continued)

#### Market, Credit and Liquidity Risk (continued)

#### (j) Sensitivity Analysis on Financial Risks (continued)

#### Market Risk Sensitivity Analysis (continued)

\$ million	Impact on Equity					
	2025			2024		
	Financial assets	Insurance & reinsurance contracts	Total	Financial assets	Insurance & reinsurance contracts	Total
Change in variables:						
(a) Interest rate						
+100 basis points	(4,281)	4,001	(280)	(3,841)	3,537	(304)
-100 basis points	5,044	(4,806)	238	4,516	(4,260)	256
(b) Foreign currency						
5% increase in USD	190	(178)	12	133	(166)	(33)
5% decrease in USD	(190)	178	(12)	(133)	166	33
(c) Equity						
20% increase in market indices	4,963	(4,428)	535	4,230	(3,709)	521
20% decrease in market indices	(4,870)	4,423	(447)	(4,192)	3,669	(523)
(d) Credit						
Spread +100 basis points	(2,142)	1,714	(428)	(1,891)	1,478	(413)
Spread -100 basis points	2,439	(1,957)	482	2,097	(1,625)	472
(e) Alternative investments <sup>(1)</sup>						
10% increase in market value of all alternative investments	740	(651)	89	565	(491)	74
10% decrease in market value of all alternative investments	(740)	651	(89)	(565)	491	(74)

<sup>(1)</sup> Alternative investments comprise investments in real estate, private equity, private debt, infrastructure and hedge funds.

The above tables demonstrate the sensitivity of GEH Group's shareholders' equity to a change in the specified variables on an individual basis with all other variables held constant.

The methodology for deriving sensitivities has not changed from the previous year.

### 39. Financial Assets and Financial Liabilities Classification

\$ million	GROUP					
	Mandatorily measured at FVTPL	Designated as FVTPL	Amortised cost	FVOCI	Insurance contracts	Total
<b>2025</b>						
Cash and placements with central banks	–	–	30,756	–	–	30,756
Singapore government treasury bills and securities	2,930	–	5,829	12,747	–	21,506
Other government treasury bills and securities	3,491	20	7,835	33,552	–	44,898
Placements with and loans to banks	259	–	18,547	19,136	–	37,942
Loans to customers	–	–	336,692	–	–	336,692
Debt securities	6,724	37	1,927	33,131	–	41,819
Equity securities and investment funds	10,188	–	–	1,260	–	11,448
Debt and equity securities	16,912	37	1,927	34,391	–	53,267
Derivative receivables	13,035	–	–	–	–	13,035
Other assets	–	–	7,888	–	342	8,230
Amounts due from associates	–	–	203	–	–	203
<b>Financial assets</b>	<b>36,627</b>	<b>57</b>	<b>409,677</b>	<b>99,826</b>	<b>342</b>	<b>546,529</b>
Non-financial assets						19,550
						566,079
Financial assets for life insurance funds	49,189	43,651	5,631	7,536	1,507	107,514
Non-financial assets for life insurance funds						2,095
<b>Total assets</b>						<b>675,688</b>
Deposits of non-bank customers	–	25	428,261	–	–	428,286
Deposits and balances of banks	–	33	15,247	–	–	15,280
Trading portfolio liabilities	197	–	–	–	–	197
Derivative payables	14,078	–	–	–	–	14,078
Other liabilities <sup>(1)</sup>	–	–	10,731	–	635	11,366
Debt issued	–	4,550	25,932	–	–	30,482
<b>Financial liabilities</b>	<b>14,275</b>	<b>4,608</b>	<b>480,171</b>	<b>–</b>	<b>635</b>	<b>499,689</b>
Non-financial liabilities						3,030
						502,719
Financial liabilities for life insurance funds	206	–	1,821	–	107,292	109,319
Non-financial liabilities for life insurance funds						80
<b>Total liabilities</b>						<b>612,118</b>

<sup>(1)</sup> Other liabilities include amounts due to associates.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 39. Financial Assets and Financial Liabilities Classification (continued)

\$ million	GROUP					Total
	Mandatorily measured at FVTPL	Designated as FVTPL	Amortised cost	FVOCI	Insurance contracts	
<b>2024</b>						
Cash and placements with central banks	–	–	34,599	–	–	34,599
Singapore government treasury bills and securities	1,850	–	4,785	7,681	–	14,316
Other government treasury bills and securities	3,054	16	5,632	21,667	–	30,369
Placements with and loans to banks	1,418	–	20,510	20,479	–	42,407
Loans to customers	–	–	315,096	–	–	315,096
Debt securities	6,220	25	773	29,107	–	36,125
Equity securities and investment funds	6,133	–	–	1,155	–	7,288
Debt and equity securities	12,353	25	773	30,262	–	43,413
Derivative receivables	17,203	–	–	–	–	17,203
Other assets	–	–	6,868	–	310	7,178
Amounts due from associates	–	–	1	–	–	1
<b>Financial assets</b>	<b>35,878</b>	<b>41</b>	<b>388,264</b>	<b>80,089</b>	<b>310</b>	<b>504,582</b>
Non-financial assets						18,176
						522,758
Financial assets for life insurance funds	43,225	41,850	5,174	9,207	897	100,353
Non-financial assets for life insurance funds						1,939
<b>Total assets</b>						<b>625,050</b>
Deposits of non-bank customers	–	58	390,629	–	–	390,687
Deposits and balances of banks	–	21	11,544	–	–	11,565
Trading portfolio liabilities	281	–	–	–	–	281
Derivative payables	16,238	–	–	–	–	16,238
Other liabilities <sup>(1)</sup>	–	–	8,212	–	615	8,827
Debt issued	–	3,357	28,196	–	–	31,553
<b>Financial liabilities</b>	<b>16,519</b>	<b>3,436</b>	<b>438,581</b>	<b>–</b>	<b>615</b>	<b>459,151</b>
Non-financial liabilities						2,587
						461,738
Financial liabilities for life insurance funds	695	–	1,341	–	100,822	102,858
Non-financial liabilities for life insurance funds						74
<b>Total liabilities</b>						<b>564,670</b>

<sup>(1)</sup> Other liabilities include amounts due to associates.

### 39. Financial Assets and Financial Liabilities Classification (continued)

\$ million	BANK				Total
	Mandatorily measured at FVTPL	Designated as FVTPL	Amortised cost	FVOCI	
<b>2025</b>					
Cash and placements with central banks	–	–	27,095	–	27,095
Singapore government treasury bills and securities	2,890	–	5,829	11,732	20,451
Other government treasury bills and securities	2,588	–	5,724	14,369	22,681
Placements with and loans to banks	259	–	14,017	11,272	25,548
Loans to customers	–	–	245,802	–	245,802
Debt securities	4,705	–	1,927	19,212	25,844
Equity securities and investment funds	7,132	–	–	117	7,249
Debt and equity securities	11,837	–	1,927	19,329	33,093
Placements with and advances to subsidiaries	–	–	20,631	–	20,631
Derivative receivables	11,640	–	–	–	11,640
Other assets	–	–	4,481	–	4,481
Amounts due from associates	–	–	1	–	1
<b>Financial assets</b>	<b>29,214</b>	<b>–</b>	<b>325,507</b>	<b>56,702</b>	<b>411,423</b>
Non-financial assets					22,781
<b>Total assets</b>					<b>434,204</b>
Deposits of non-bank customers	–	25	288,258	–	288,283
Deposits and balances of banks	–	33	12,493	–	12,526
Deposits and balances of subsidiaries	–	–	42,735	–	42,735
Trading portfolio liabilities	197	–	–	–	197
Derivative payables	12,636	–	–	–	12,636
Other liabilities <sup>(1)</sup>	–	–	4,811	–	4,811
Debt issued	–	4,550	24,410	–	28,960
<b>Financial liabilities</b>	<b>12,833</b>	<b>4,608</b>	<b>372,707</b>	<b>–</b>	<b>390,148</b>
Non-financial liabilities					1,516
<b>Total liabilities</b>					<b>391,664</b>

<sup>(1)</sup> Other liabilities include amounts due to associates.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 39. Financial Assets and Financial Liabilities Classification (continued)

\$ million	BANK					Total
	Mandatorily measured at FVTPL	Designated as FVTPL	Amortised cost	FVOCI		
<b>2024</b>						
Cash and placements with central banks	–	–	30,525	–		30,525
Singapore government treasury bills and securities	1,834	–	4,786	6,562		13,182
Other government treasury bills and securities	1,725	–	3,919	5,552		11,196
Placements with and loans to banks	1,418	–	15,760	14,996		32,174
Loans to customers	–	–	227,598	–		227,598
Debt securities	4,973	–	773	16,639		22,385
Equity securities and investment funds	3,898	–	–	28		3,926
Debt and equity securities	8,871	–	773	16,667		26,311
Placements with and advances to subsidiaries	–	–	17,979	–		17,979
Derivative receivables	13,582	–	–	–		13,582
Other assets	–	–	3,962	–		3,962
Amounts due from associates	–	–	1	–		1
<b>Financial assets</b>	<b>27,430</b>	<b>–</b>	<b>305,303</b>	<b>43,777</b>		<b>376,510</b>
Non-financial assets						22,560
<b>Total assets</b>						<b>399,070</b>
Deposits of non-bank customers	–	58	253,117	–		253,175
Deposits and balances of banks	–	21	8,930	–		8,951
Deposits and balances of subsidiaries	–	–	46,602	–		46,602
Trading portfolio liabilities	222	–	–	–		222
Derivative payables	12,855	–	–	–		12,855
Other liabilities <sup>(1)</sup>	–	–	3,699	–		3,699
Debt issued	–	3,357	26,964	–		30,321
<b>Financial liabilities</b>	<b>13,077</b>	<b>3,436</b>	<b>339,312</b>	<b>–</b>		<b>355,825</b>
Non-financial liabilities						1,213
<b>Total liabilities</b>						<b>357,038</b>

<sup>(1)</sup> Other liabilities include amounts due to associates.

## **40. Fair Values of Financial Instruments**

### **40.1 Valuation Governance Framework**

The Group has an established governance framework with respect to the measurement of fair values, which includes formalised processes for the review and validation of fair values independent of the businesses entering into the transactions.

The Market Risk Management (MRM) function within the GRM is responsible for the model validation process. Financial models are used to price financial instruments and to calculate value-at-risk (VaR). MRM ensures that the models used are fit for their intended purposes through internal independent validation and periodic review. MRM sources market rates independently for risk measurement and valuation.

The Treasury Financial Control and Advisory – Valuation Control function within the Group Finance Division is responsible for the establishment of the overall valuation control framework. This includes, but is not limited to, reviewing and recommending appropriate valuation adjustment methodologies, independent price testing, and identifying valuation gaps.

Valuation policies are formulated and reviewed annually by the Valuation Control function, and approved by the Market Risk Management Committee, the CEO and BRMC. Valuation adjustments are applied to account for input parameter uncertainties, known model deficiencies and other factors that may affect valuation. The main valuation adjustments are described below.

#### **Bid Offer Adjustments**

Bid offer adjustments are applied to account for close out cost when a position is marked at mid-price.

#### **Model Risk Adjustments**

Model risk 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 may be applied to collateralised derivatives due to deviations from perfect collateralisation such as when the derivative is denominated in one 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 Financial Statements

For the financial year ended 31 December 2025

## 40. Fair Values of Financial Instruments (continued)

### 40.2 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.

### 40.3 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.

## 40. Fair Values of Financial Instruments (continued)

### 40.3 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:

\$ million	2025				2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>GROUP</b>								
<b>Financial assets measured at fair value</b>								
Placements with and loans to banks	4,182	15,213	–	19,395	11,383	10,514	–	21,897
Debt and equity securities	36,705	12,684	1,951	51,340	31,176	9,405	2,059	42,640
Derivative receivables	117	12,261	657	13,035	45	16,574	584	17,203
Government treasury bills and securities	44,865	7,875	–	52,740	28,766	5,502	–	34,268
Assets for life insurance funds	53,137	42,625	4,614	100,376	63,363	27,271	3,648	94,282
<b>Total</b>	<b>139,006</b>	<b>90,658</b>	<b>7,222</b>	<b>236,886</b>	<b>134,733</b>	<b>69,266</b>	<b>6,291</b>	<b>210,290</b>
<b>Non-financial assets measured at fair value</b>								
Investment properties for life insurance funds	–	–	2,095	2,095	–	–	1,939	1,939
Associates	–	–	86	86	–	–	68	68
<b>Total</b>	<b>–</b>	<b>–</b>	<b>2,181</b>	<b>2,181</b>	<b>–</b>	<b>–</b>	<b>2,007</b>	<b>2,007</b>
<b>Financial liabilities measured at fair value</b>								
Derivative payables	314	13,205	559	14,078	160	15,482	596	16,238
Trading portfolio liabilities	197	–	–	197	281	–	–	281
Debt issued/other deposits	–	3,396	1,212	4,608	–	3,436	–	3,436
Other liabilities for life insurance funds	64	142	–	206	237	458	–	695
<b>Total</b>	<b>575</b>	<b>16,743</b>	<b>1,771</b>	<b>19,089</b>	<b>678</b>	<b>19,376</b>	<b>596</b>	<b>20,650</b>
<b>BANK</b>								
<b>Financial assets measured at fair value</b>								
Placements with and loans to banks	2,291	9,240	–	11,531	8,957	7,457	–	16,414
Debt and equity securities	22,450	7,416	1,300	31,166	18,589	5,466	1,483	25,538
Derivative receivables	102	10,927	611	11,640	32	13,000	550	13,582
Government treasury bills and securities	25,846	5,733	–	31,579	12,694	2,979	–	15,673
<b>Total</b>	<b>50,689</b>	<b>33,316</b>	<b>1,911</b>	<b>85,916</b>	<b>40,272</b>	<b>28,902</b>	<b>2,033</b>	<b>71,207</b>
<b>Financial liabilities measured at fair value</b>								
Derivative payables	307	11,796	533	12,636	145	12,133	577	12,855
Trading portfolio liabilities	197	–	–	197	222	–	–	222
Debt issued/other deposits	–	3,396	1,212	4,608	–	3,436	–	3,436
<b>Total</b>	<b>504</b>	<b>15,192</b>	<b>1,745</b>	<b>17,441</b>	<b>367</b>	<b>15,569</b>	<b>577</b>	<b>16,513</b>

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.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 40. Fair Values of Financial Instruments (continued)

### 40.3 Fair Value Hierarchy (continued)

#### Valuation Techniques and Unobservable Inputs for Level 3 Instruments

GROUP \$ million	Fair value at 31 December 2025	Classification	Valuation techniques	Unobservable inputs
<b>Financial assets</b>				
Equity securities	1,951	FVTPL/FVOCI	Net asset value/ Multiples/Discounted cash flows	Value of net asset/ Earnings and multiples/ Cash flows and discount rate
Derivative receivables	657	FVTPL	Option pricing model Derivatives pricing	Volatility/Correlation Yield curve
Assets for life insurance funds	4,614	FVTPL/FVOCI	Net asset value	Value of net asset
<b>Total</b>	<b>7,222</b>			

<b>Financial liabilities</b>				
Derivative payables	559	FVTPL	Option pricing model Derivatives pricing	Volatility/Correlation Yield curve
Debt issued	1,212	FVTPL	Net asset value	Value of net asset
<b>Total</b>	<b>1,771</b>			

GROUP \$ million	Fair value at 31 December 2024	Classification	Valuation techniques	Unobservable inputs
<b>Financial assets</b>				
Equity securities	2,059	FVTPL/FVOCI	Net asset value/ Multiples/Discounted cash flows	Value of net asset/ Earnings and multiples/ Cash flows and discount rate
Derivative receivables	584	FVTPL	Option pricing model Derivatives pricing	Volatility/Correlation Yield curve
Assets for life insurance funds	3,648	FVTPL/FVOCI	Net asset value	Value of net asset
<b>Total</b>	<b>6,291</b>			

<b>Financial liabilities</b>				
Derivative payables	596	FVTPL	Option pricing model Derivatives pricing	Volatility/Correlation Yield curve
<b>Total</b>	<b>596</b>			

## 40. Fair Values of Financial Instruments (continued)

### 40.3 Fair Value Hierarchy (continued)

#### Movements in Level 3 Financial Assets

GROUP \$ million	2025					Total
	Debt and equity securities	Loans to customers	Derivative receivables	Assets for life insurance funds		
<b>Financial assets measured at fair value</b>						
<b>At 1 January</b>	2,059	–	584	3,648		6,291
Additions	661	–	29	1,457		2,147
Settlements/disposals	(455)	–	(35)	(378)		(868)
(Losses)/gains recognised in						
– profit or loss	(295)	–	96	(115)		(314)
– other comprehensive income	(19)	–	(17)	2		(34)
<b>At 31 December</b>	1,951	–	657	4,614		7,222
Unrealised (losses)/gains included in profit or loss for assets held at the end of the year	(138)	–	721	(115)		468

GROUP \$ million	2024					Total
	Debt and equity securities	Loans to customers	Derivative receivables	Assets for life insurance funds		
<b>Financial assets measured at fair value</b>						
<b>At 1 January</b>	2,930	10	497	2,793		6,230
Additions	142	–	31	1,032		1,205
Settlements/disposals	(223)	(15)	(27)	(198)		(463)
Transfer out <sup>(1)</sup>	(461)	–	(108)	–		(569)
(Losses)/gains recognised in						
– profit or loss	(275)	5	179	21		(70)
– other comprehensive income	(54)	–	12	(#)		(42)
<b>At 31 December</b>	2,059	–	584	3,648		6,291
Unrealised (losses)/gains included in profit or loss for assets held at the end of the year	(291)	–	622	21		352

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

(Losses)/gains included in profit or loss are presented in the income statement as follows:

	2025			2024		
	Trading income	Other income	Total	Trading income	Other income	Total
Total (losses)/gains included in profit or loss for the year ended	(319)	5	(314)	(26)	(44)	(70)
Unrealised gains/(losses) included in profit or loss for assets held at the end of the year	465	3	468	396	(44)	352

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 40. Fair Values of Financial Instruments (continued)

### 40.3 Fair Value Hierarchy (continued)

#### Movements in Level 3 Financial Assets (continued)

BANK \$ million	2025				2024			
	Debt and equity securities	Loans to customers	Derivative receivables	Total	Debt and equity securities	Loans to customers	Derivative receivables	Total
<b>Financial assets measured at fair value</b>								
<b>At 1 January</b>	<b>1,483</b>	<b>–</b>	<b>550</b>	<b>2,033</b>	2,370	10	468	2,848
Additions	557	–	29	586	62	–	30	92
Settlements/disposals	(452)	–	(36)	(488)	(203)	(15)	(27)	(245)
Transfer out <sup>(1)</sup>	–	–	–	–	(461)	–	(1)	(462)
(Losses)/gains recognised in								
– profit or loss	(283)	–	68	(215)	(264)	5	80	(179)
– other comprehensive income	(5)	–	(#)	(5)	(21)	–	–	(21)
<b>At 31 December</b>	<b>1,300</b>	<b>–</b>	<b>611</b>	<b>1,911</b>	1,483	–	550	2,033
Unrealised (losses)/ gains included in profit or loss for assets held at the end of the year	(126)	–	425	299	(280)	–	338	58

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

(Losses)/gains included in profit or loss are presented in the income statement as follows:

\$ million	2025			2024		
	Trading income	Other income	Total	Trading income	Other income	Total
Total (losses)/gains included in profit or loss for the year ended	(217)	2	(215)	(179)	–	(179)
Unrealised gains included in profit or loss for assets held at the end of the year	299	–	299	58	–	58

## 40. Fair Values of Financial Instruments (continued)

### 40.3 Fair Value Hierarchy (continued)

#### Movements in Level 3 Financial Liabilities

\$ million	GROUP				
	2025			2024	
	Debt issued	Derivative payables	Total	Derivative payables	Total
<b>Financial liabilities measured at fair value</b>					
<b>At 1 January</b>	–	596	596	616	616
Additions	1,318	29	1,347	30	30
Settlements/disposals	–	(36)	(36)	(27)	(27)
Transfer out <sup>(1)</sup>	–	–	–	(117)	(117)
(Gains)/losses recognised in					
– profit or loss	(106)	(13)	(119)	82	82
– other comprehensive income	–	(17)	(17)	12	12
<b>At 31 December</b>	<b>1,212</b>	<b>559</b>	<b>1,771</b>	<b>596</b>	<b>596</b>
Unrealised gains/(losses) included in profit or loss for liabilities held at the end of the year	106	(609)	(503)	(524)	(524)

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

Gains/(losses) included in profit or loss are presented in the income statements as follows:

\$ million	GROUP			
	2025		2024	
	Trading income	Total	Trading income	Total
Total gains/(losses) included in profit or loss for the year ended	119	119	(82)	(82)
Unrealised losses included in profit or loss for liabilities held at the end of the year	(503)	(503)	(524)	(524)

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 40. Fair Values of Financial Instruments (continued)

### 40.3 Fair Value Hierarchy (continued)

#### Movements in Level 3 Financial Liabilities (continued)

\$ million	BANK				
	2025			2024	
	Debt issued	Derivative payables	Total	Derivative payables	Total
<b>Financial liabilities measured at fair value</b>					
<b>At 1 January</b>	–	577	577	614	614
Additions	1,318	29	1,347	31	31
Settlements/disposals	–	(36)	(36)	(27)	(27)
Transfer out <sup>(1)</sup>	–	–	–	(11)	(11)
(Gains)/losses recognised in					
– profit or loss	(106)	(37)	(143)	(30)	(30)
– other comprehensive income	–	(#)	(#)	–	–
<b>At 31 December</b>	<b>1,212</b>	<b>533</b>	<b>1,745</b>	<b>577</b>	<b>577</b>
Unrealised gains/(losses) included in profit or loss for liabilities held at the end of the year	106	(320)	(214)	(235)	(235)

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

Gains/(losses) included in profit or loss are presented in the income statements as follows:

\$ million	BANK			
	2025		2024	
	Trading income	Total	Trading income	Total
Total gains included in profit or loss for the year ended	143	143	30	30
Unrealised losses included in profit or loss for liabilities held at the end of the year	(214)	(214)	(235)	(235)

#### Movements in Level 3 Non-Financial Assets

\$ million	GROUP					
	2025			2024		
	Investment properties for life insurance funds <sup>(1)</sup>	Associates <sup>(2)</sup>	Total	Investment properties for life insurance funds <sup>(1)</sup>	Associates <sup>(2)</sup>	Total
<b>Non-financial assets measured at fair value</b>						
<b>At 1 January</b>	1,939	68	2,007	1,881	95	1,976
Additions	1	–	1	7	–	7
Reclassification from property plant and equipment	12	–	12	–	–	–
Gains/(losses) recognised in						
– profit or loss	131	15	146	34	(32)	2
– other comprehensive income	12	3	15	17	5	22
<b>At 31 December</b>	<b>2,095</b>	<b>86</b>	<b>2,181</b>	<b>1,939</b>	<b>68</b>	<b>2,007</b>

<sup>(1)</sup> The fair value of investment properties is determined based on a combination of income approach, comparison approach and capitalisation approach under Level 3 fair value measurements.

<sup>(2)</sup> The fair value of investment in associate is determined based on income approach under Level 3 fair value measurements.

## 41. Offsetting Financial Assets and Financial Liabilities

The Group enters into master netting arrangements with counterparties in its normal course of business. The credit risk associated with favourable contracts is reduced by the master netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are settled on a net basis. These arrangements do not qualify for net presentation on the balance sheet as the right to offset is enforceable only on the occurrence of future events such as default or other credit events.

The disclosures set out in the tables below pertain to financial assets and financial liabilities that are not presented net in the Group's balance sheet but are subject to enforceable master netting agreement or similar arrangement that covers similar financial instruments. The disclosures enable the evaluation on the potential effect of netting arrangements as well as provide additional information on how such credit risk is mitigated.

GROUP	Related amounts <u>not</u> offset on balance sheet					
	Carrying amounts on balance sheet (A)	Amounts not subject to netting agreement (B)	Amounts subject to netting agreement (A - B = C + D + E)	Financial instruments (C)	Collateral (D)	Net amounts in scope (E)
Types of financial assets/liabilities \$ million						
<b>2025</b>						
<b>Financial assets</b>						
Derivative receivables	13,035	1,320	11,715	5,465	185	6,065
Reverse repurchase agreements	7,002 <sup>(1)</sup>	1,306	5,696	5,591	–	105
Securities borrowings	# <sup>(2)</sup>	–	#	#	–	–
<b>Total</b>	<b>20,037</b>	<b>2,626</b>	<b>17,411</b>	<b>11,056</b>	<b>185</b>	<b>6,170</b>
<b>Financial liabilities</b>						
Derivative payables	14,078	1,304	12,774	5,465	903	6,406
Repurchase agreements	4,058 <sup>(3)</sup>	1,643	2,415	2,397	–	18
<b>Total</b>	<b>18,136</b>	<b>2,947</b>	<b>15,189</b>	<b>7,862</b>	<b>903</b>	<b>6,424</b>
<b>2024</b>						
<b>Financial assets</b>						
Derivative receivables	17,203	5,977	11,226	3,032	835	7,359
Reverse repurchase agreements	8,361 <sup>(1)</sup>	2,357	6,004	5,932	–	72
Securities borrowings	115 <sup>(2)</sup>	114	1	1	–	–
<b>Total</b>	<b>25,679</b>	<b>8,448</b>	<b>17,231</b>	<b>8,965</b>	<b>835</b>	<b>7,431</b>
<b>Financial liabilities</b>						
Derivative payables	16,238	4,913	11,325	3,032	1,268	7,025
Repurchase agreements	5,014 <sup>(3)</sup>	2,529	2,485	2,468	–	17
<b>Total</b>	<b>21,252</b>	<b>7,442</b>	<b>13,810</b>	<b>5,500</b>	<b>1,268</b>	<b>7,042</b>

(1) Reverse repurchase agreements shown above are the aggregate of transactions recorded in separate line items on the balance sheet, namely placements with central banks, loans to banks and non-bank customers and other assets. These transactions are measured either at fair value or amortised cost.

(2) Cash collateral placed under securities borrowings are presented under placements with and loans to banks and other assets on the balance sheet, and are measured at amortised cost.

(3) Repurchase agreements shown above are the aggregate of transactions recorded in separate line items on the balance sheet, namely deposits of banks and non-bank customers and other liabilities, and are measured at amortised cost.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 41. Offsetting Financial Assets and Financial Liabilities (continued)

Types of financial assets/liabilities \$ million	Carrying amounts on balance sheet (A)	Amounts not subject to netting agreement (B)	Amounts subject to netting agreement (A - B = C + D + E)	Related amounts <u>not</u> offset on balance sheet		Net amounts in scope (E)
				Financial instruments (C)	Collateral (D)	
<b>2025</b>						
<b>Financial assets</b>						
Derivative receivables	11,640	484	11,156	5,690	611	4,855
Reverse repurchase agreements	6,708 <sup>(1)</sup>	1,029	5,679	5,590	–	89
<b>Total</b>	<b>18,348</b>	<b>1,513</b>	<b>16,835</b>	<b>11,280</b>	<b>611</b>	<b>4,944</b>
<b>Financial liabilities</b>						
Derivative payables	12,636	935	11,701	5,690	856	5,155
Repurchase agreements	2,453 <sup>(3)</sup>	38	2,415	2,397	–	18
<b>Total</b>	<b>15,089</b>	<b>973</b>	<b>14,116</b>	<b>8,087</b>	<b>856</b>	<b>5,173</b>
<b>2024</b>						
<b>Financial assets</b>						
Derivative receivables	13,582	5,200	8,382	3,307	1,118	3,957
Reverse repurchase agreements	7,739 <sup>(1)</sup>	1,739	6,000	5,928	–	72
Securities borrowings	6 <sup>(2)</sup>	6	–	–	–	–
<b>Total</b>	<b>21,327</b>	<b>6,945</b>	<b>14,382</b>	<b>9,235</b>	<b>1,118</b>	<b>4,029</b>
<b>Financial liabilities</b>						
Derivative payables	12,855	4,654	8,201	3,307	1,186	3,708
Repurchase agreements	2,536 <sup>(3)</sup>	51	2,485	2,468	–	17
<b>Total</b>	<b>15,391</b>	<b>4,705</b>	<b>10,686</b>	<b>5,775</b>	<b>1,186</b>	<b>3,725</b>

(1) Reverse repurchase agreements shown above are the aggregate of transactions recorded in separate line items on the balance sheet, namely placements with central banks, loans to banks and non-bank customers and other assets. These transactions are measured either at fair value or amortised cost.

(2) Cash collateral placed under securities borrowings are presented under placements with and loans to banks on the balance sheet, and are measured at amortised cost.

(3) Repurchase agreements shown above are the aggregate of transactions recorded in separate line items on the balance sheet, namely deposits of banks and non-bank customers and other liabilities, and are measured at amortised cost.

## 42. Contingent Liabilities

The Group conducts businesses involving acceptances, guarantees, documentary credits and other similar transactions. Acceptances are undertakings by the Group to pay on receipt of bills of exchange drawn. The Group issues guarantees on the performance of customers to third parties. Documentary credits commit the Group to make payments to third parties on presentation of stipulated documents. As the Group will only be required to meet these obligations in the event of customer's default, the cash requirements of these instruments are expected to be considerably below their nominal contractual amounts.

\$ million	GROUP		BANK	
	2025	2024	2025	2024
Guarantees and standby letters of credit:				
Term to maturity of one year or less	7,438	7,194	5,983	5,589
Term to maturity of more than one year	4,905	4,370	3,931	3,602
	<b>12,343</b>	11,564	<b>9,914</b>	9,191
Acceptances and endorsements	1,030	764	841	502
Documentary credits and other short term trade-related transactions	5,986	6,468	3,649	4,653
	<b>19,359</b>	18,796	<b>14,404</b>	14,346

### 42.1 Analysed by Industry

Agriculture, mining and quarrying	57	83	7	37
Manufacturing	2,965	2,372	1,944	1,274
Building and construction	2,350	2,108	1,454	1,367
General commerce	8,395	9,872	6,280	8,194
Transport, storage and communication	696	576	408	329
Financial institutions, investment and holding companies	3,704	2,356	3,332	1,979
Professionals and individuals	201	252	32	37
Others	991	1,177	947	1,129
	<b>19,359</b>	18,796	<b>14,404</b>	14,346

### 42.2 Analysed by Geography

Singapore	11,571	12,408	11,654	12,288
Malaysia	1,549	1,292	11	7
Indonesia	1,107	1,116	–	–
Greater China	3,329	2,659	919	712
Other Asia Pacific	389	243	406	261
Rest of the World	1,414	1,078	1,414	1,078
	<b>19,359</b>	18,796	<b>14,404</b>	14,346

Contingent liabilities analysed by geography is based on the country where the transactions are recorded.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 43. Commitments

Commitments comprise mainly agreements to provide credit facilities to customers. Such credit facilities (cancellable and non-cancellable) can either be made for a fixed period, or have no specific maturity.

\$ million	GROUP		BANK	
	2025	2024	2025	2024
<b>43.1 Credit Commitments</b>				
Undrawn credit facilities:				
Term to maturity of one year or less	<b>166,164</b>	159,074	<b>88,009</b>	81,141
Term to maturity of more than one year	<b>41,906</b>	37,368	<b>48,063</b>	48,621
	<b>208,070</b>	196,442	<b>136,072</b>	129,762
<b>43.2 Other Commitments</b>				
Capital commitment authorised and contracted	<b>1,276</b>	716	<b>725</b>	469
Forward deposits and assets purchase	<b>4,769</b>	3,871	<b>5,293</b>	4,300
	<b>6,045</b>	4,587	<b>6,018</b>	4,769
<b>43.3 Total Commitments</b>	<b>214,115</b>	201,029	<b>142,090</b>	134,531
<b>43.4 Credit Commitments Analysed by Industry</b>				
Agriculture, mining and quarrying	<b>1,777</b>	1,444	<b>964</b>	815
Manufacturing	<b>12,706</b>	13,548	<b>6,421</b>	7,340
Building and construction	<b>19,689</b>	19,669	<b>15,610</b>	15,769
General commerce	<b>32,872</b>	31,486	<b>26,738</b>	25,734
Transport, storage and communication	<b>8,492</b>	6,764	<b>6,779</b>	5,377
Financial institutions, investment and holding companies	<b>62,275</b>	58,722	<b>46,401</b>	49,082
Professionals and individuals	<b>59,694</b>	56,990	<b>23,924</b>	19,014
Others	<b>10,565</b>	7,819	<b>9,235</b>	6,631
	<b>208,070</b>	196,442	<b>136,072</b>	129,762
<b>43.5 Credit Commitments Analysed by Geography</b>				
Singapore	<b>145,403</b>	140,850	<b>106,807</b>	105,115
Malaysia	<b>12,587</b>	10,954	<b>1,295</b>	1,041
Indonesia	<b>6,861</b>	6,814	<b>-</b>	-
Greater China	<b>24,921</b>	22,056	<b>9,639</b>	7,809
Other Asia Pacific	<b>4,953</b>	3,790	<b>4,983</b>	3,816
Rest of the World	<b>13,345</b>	11,978	<b>13,348</b>	11,981
	<b>208,070</b>	196,442	<b>136,072</b>	129,762

Credit commitments analysed by geography is based on the country where the transactions are recorded.

## 44. Unconsolidated Structured Entities

Unconsolidated structured entities refer to structured entities that are not controlled by the Group. The Group's transactions in these structured entities are for investment opportunities as well as to facilitate client transactions. The Group's maximum exposure to loss is primarily limited to the carrying amount on its balance sheet and loan and capital commitments to these structured entities.

The following table summarises the carrying amount of the assets and liabilities recognised in the Group's financial statements relating to the interests in unconsolidated structured entities undertaken by business segments.

GROUP (\$ million)	Global investment banking	Insurance	Others	Total
<b>2025</b>				
FVOCI investments	5	–	–	5
FVTPL investments	8	163	10	181
Other assets	–	9	–	9
<b>Total assets</b>	<b>13</b>	<b>172</b>	<b>10</b>	<b>195</b>
Other liabilities	–	–	–	–
<b>Total liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Other commitments</b>				
Loan and capital commitments authorised and contracted <sup>(1)</sup>	4	–	–	4
<b>Income earned from sponsored structured entities</b> <sup>(2)</sup>	<b>–</b>	<b>72</b>	<b>–</b>	<b>72</b>
<b>Assets of structured entities</b>	<b>122</b>	<b>15,449</b>	<b>1,959</b>	<b>17,530</b>
<b>2024</b>				
FVOCI investments	13	–	–	13
FVTPL investments	5	190	9	204
Other assets	–	7	–	7
<b>Total assets</b>	<b>18</b>	<b>197</b>	<b>9</b>	<b>224</b>
Other liabilities	–	–	–	–
<b>Total liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Other commitments</b>				
Loan and capital commitments authorised and contracted <sup>(1)</sup>	9	–	–	9
<b>Income earned from sponsored structured entities</b> <sup>(2)</sup>	<b>#</b>	<b>58</b>	<b>1</b>	<b>59</b>
<b>Assets of structured entities</b>	<b>195</b>	<b>9,545</b>	<b>2,515</b>	<b>12,255</b>

<sup>(1)</sup> These were also included in the Group's capital commitments authorised and contracted in Note 43.

<sup>(2)</sup> The income earned relates primarily to management fee, interest income or fair value gains or losses recognised by the Group arising from the interests held by the Group in the unconsolidated investment funds.

The amount of assets transferred to sponsored entities during 2025 and 2024 were not significant.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 45. Financial Assets Transferred

### 45.1 Assets Pledged

\$ million	GROUP		BANK	
	2025	2024	2025	2024
Government treasury bills and securities				
– Singapore	1,558	707	1,581	707
– Others	5,636	4,483	4,850	2,643
Placements with and loans to banks	264	312	253	976
Loans to customers	949	774	845	663
Debt securities	2,046	2,511	942	1,954
Cash collateral	2,646	2,241	2,145	1,611
	13,099	11,028	10,616	8,554
Obligations to repurchase assets pledged	2,115	4,418	428	3,308

- (a) The amounts received from repurchase transactions are recognised as collateralised borrowings, “obligations to repurchase assets pledged”, measured at amortised cost and included in deposits of banks and non-bank customers and other liabilities on the balance sheet. The above assets pledged as collateral for repurchase transactions are not derecognised but are presented separately on the balance sheet.
- (b) The amounts paid in reverse repurchase transactions are recognised as collateralised lendings, measured at amortised cost and included in loans to banks and non-bank customers as appropriate. The financial assets accepted as collateral for reverse repurchase transactions are not recognised as assets on the balance sheet. The fair value of financial assets accepted as collateral, which the Group is permitted to sell or re-pledge in the absence of default is \$10.03 billion (2024: \$9.07 billion), of which \$0.18 billion (2024: \$0.21 billion) have been sold or re-pledged. The fair value of financial assets accepted as collateral, which the Bank is permitted to sell or re-pledge in the absence of default is \$9.64 billion (2024: \$8.97 billion), of which \$0.18 billion (2024: \$0.21 billion) have been sold or re-pledged. The Group is obliged to return equivalent assets.
- (c) Transactions are conducted under terms and conditions that are usual and customary to standard securities lending (equivalent to repurchase transactions) and securities borrowing (equivalent to reverse repurchase transactions).

### 45.2 Assets Assigned as Security for Covered Bonds Issued (Note 21.5)

Pursuant to the Bank’s Global Covered Bond Programme, selected pools of Singapore housing loans originated by the Bank have been transferred to a bankruptcy-remote structured entity, Red Sail Pte. Ltd. (Note 33.3). These housing loans continue to be recognised on the Bank’s balance sheet as the Bank remains exposed to the risks and rewards associated with them.

As at 31 December 2025, the carrying amounts of the covered bonds in issue was \$1.52 billion (2024: \$1.42 billion), while the carrying amounts of assets assigned was \$10.67 billion (2024: \$5.49 billion). The difference in values is attributable to an intended over-collateralisation required to maintain the credit ratings of the covered bonds in issue, and additional assets assigned to facilitate future issuances.

## 46. Related Party Transactions

Loans and deposits transactions with related parties arise from the ordinary course of business and are not treated any differently from loans and deposits transactions with other customers of the Group. Credit facilities granted are subject to the same credit evaluation, approval, monitoring and reporting processes. All transactions with related parties are conducted on commercial terms.

### 46.1 Material Related Party Transactions

Material related party balances at the reporting date and transactions during the financial year were as follows:

\$ million	GROUP			BANK	
	Associates	Life insurance funds	Subsidiaries	Associates	Life insurance funds
<b>(a) Loans, placements and other receivables</b>					
At 1 January 2025	1	869	17,978	1	90
Net change	203	283	2,652	(#)	182
<b>At 31 December 2025</b>	<b>204</b>	<b>1,152</b>	<b>20,630</b>	<b>1</b>	<b>272</b>
<b>(b) Deposits, borrowings and other payables</b>					
At 1 January 2025	324	859	46,602	231	647
Net change	(41)	423	(3,867)	(22)	375
<b>At 31 December 2025</b>	<b>283</b>	<b>1,282</b>	<b>42,735</b>	<b>209</b>	<b>1,022</b>
<b>(c) Off-balance sheet credit facilities <sup>(1)</sup></b>					
At 1 January 2025	–	7	18,413	–	7
Net change	–	(3)	(5,543)	–	(3)
<b>At 31 December 2025</b>	<b>–</b>	<b>4</b>	<b>12,870</b>	<b>–</b>	<b>4</b>
<b>(d) Income statement transactions</b>					
<b>Year ended 31 December 2025</b>					
Interest income	4	39	421	#	1
Interest expense	6	19	1,588	5	17
Rental income	–	2	8	–	#
Fee and commission and other income	#	287	333	#	230
Rental and other expenses	32	89	729	32	35
<b>Year ended 31 December 2024</b>					
Interest income	#	34	392	#	3
Interest expense	9	17	1,860	7	15
Rental income	–	2	36	–	#
Fee and commission and other income	–	239	279	–	187
Other income – disposal of properties	–	–	965	–	–
Rental and other expenses	22	53	767	22	1

<sup>(1)</sup> Off-balance sheet credit facilities refer to transaction-related and trade-related contingencies and commitments.

During the financial year, the Group had banking transactions with director-related and key management-related entities and personnel of the Group. These transactions were not material.

# Notes to the Financial Statements

For the financial year ended 31 December 2025

## 46. Related Party Transactions (continued)

### 46.2 Key Management Personnel Compensation

\$ million	BANK	
	2025	2024
Key management personnel compensation is as follows:		
Short-term employee benefits	<b>44</b>	47
Share-based benefits	<b>17</b>	18
	<b>61</b>	65

Certain performance-related payments to key management personnel of the Bank in relation to the performance year 2025 included in the above table are subject to the approval of the Remuneration Committee.

Comparatives have been updated following the approval of the performance-related payments to key management personnel of the Bank in relation to the performance year 2024 by the Remuneration Committee.

## 47. Capital Management

The key objective of the Group's capital management policy is to maintain a strong capital position to support business growth and strategic investments, and to sustain investor, depositor, customer and market confidence. In line with this, the Group targets a minimum credit rating of "A" and ensures that its capital ratios are comfortably above the regulatory minima, while balancing shareholders' desire for sustainable returns and high standards of prudence. The Group actively manages its capital composition with an optimal mix of capital instruments in order to keep its overall cost of capital low.

A description of the key terms and conditions of the regulatory capital instruments can be found in Notes 13, 14 and 21 of the financial statements, and the approaches adopted by the Group for the computation of risk-weighted assets can be found in the "Pillar 3 Disclosures" chapter.

The Group has complied with all externally imposed regulatory capital requirements.

## 48. New Accounting Standards and Interpretations

As of the reporting date, certain new standards, amendments and interpretations to existing accounting standards have been published. The Group has not adopted the following relevant new/revised financial reporting standards and interpretations that have been issued but not yet effective.

<b>SFRS(I)</b>	<b>Title</b>	<b>Effective for financial year beginning on or after</b>
SFRS(I) 10 (Amendments), SFRS(I) 1-28 (Amendments)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be determined
SFRS(I) 9 (Amendments), SFRS(I) 7 (Amendments)	<i>Classification and Measurement of Financial Instruments – Amendments to SFRS(I) 9 and SFRS(I) 7</i>	1 January 2026
SFRS(I) 9 (Amendments), SFRS(I) 7 (Amendments)	<i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
Various	<i>Annual Improvements to SFRS(I)s – Volume 11</i>	1 January 2026
SFRS(I) 18	<i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
SFRS(I) 19, SFRS(I) 19 (Amendments)	<i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027

Based on the Group's preliminary analysis, the initial application of the above standards (including their consequential amendments) and interpretations are not expected to have a significant impact on the Group's financial statements except as described below.

### **SFRS(I) 18 Presentation and Disclosure in Financial Statements**

SFRS(I) 18 will replace SFRS(I) 1-1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after 1 January 2027. While SFRS(I) 18 does not impact the recognition and measurement of items in the financial statements, it impacts the presentation and disclosure of the income statement and introduces additional disclosure requirements, in particular those related to the income statement and providing management-defined performance measures within the financial statements.

The Group is currently assessing the impact of applying the new standard on the Group's consolidated financial statements, particularly with respect to the structure of the Group's income statement, disclosure of management-defined performance measures and other additional disclosure requirements.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required. Therefore, comparative information for the financial year ending 31 December 2026 will be restated in accordance with SFRS(I) 18.