

OCBC 5.520% Subordinated Notes due 2034

- (i) Pricing Supplement
- (ii) Term and Conditions as extracted from the Offering Memorandum relating to the Global Medium Term Note Programme dated 18 April 2024

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**OVERSEA-CHINESE BANKING CORPORATION LIMITED**

**(acting through its registered office in Singapore)**

Issue of U.S.\$500,000,000 5.520 per cent. Subordinated Notes due 2034

under the Oversea-Chinese Banking Corporation Limited

**U.S.\$30,000,000,000 Global Medium Term Note Programme**

This document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes other than the Perpetual Capital Securities (the “**Conditions**”) set forth in the Offering Memorandum dated 18 April 2024 (the “**Offering Memorandum**”). This Pricing Supplement, together with the information set out in the Schedules hereto, contains the final terms of the Notes and must be read in conjunction with such Offering Memorandum.

Where interest, discount income, early redemption fee or redemption premium is derived from any of the Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act 1947 of Singapore (the “**Income Tax Act**”), shall not apply if such person acquires such Notes using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, early redemption fee or redemption premium derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.

Pursuant to the Financial Services and Markets Act 2022 of Singapore (the “**FSM Act**”) and the Financial Services and Markets (Resolution of Financial Institutions) Regulations 2024, the Subordinated Notes would be eligible instruments (as defined in the FSM Act). Accordingly, should a bail-in certificate (as defined in the FSM Act) be issued, Subordinated Notes may be subject to cancellation, modification, conversion and/or change in form, as set out in such bail-in certificate.

**UK MiFIR PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”), and professional clients, as defined in the UK MiFIR; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer’s target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no

key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

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

**Paragraph 21 of the Hong Kong SFC Code of Conduct** – As paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission applies to this offering of Notes, prospective investors should refer to the section on “*Important Notice – Important Notice to Prospective Investors*” appearing on pages 1 to 2 of the Offering Memorandum, and CMLs (as defined in the Offering Memorandum) should refer to the section on “*Plan of Distribution – Important Notice to CMLs (including private banks)*” appearing on pages 429 to 431 of the Offering Memorandum.

1	Issuer:	Oversea-Chinese Banking Corporation Limited (acting through its registered office in Singapore)
2	(i) Series Number:	60
	(ii) Tranche Number:	001
3	Specified Currency or Currencies:	United States dollars (“ <b>U.S.\$</b> ”)
4	Aggregate Principal Amount:	
	(i) Series:	U.S.\$500,000,000
	(ii) Tranche:	U.S.\$500,000,000
5	Issue Price:	100.00% of the Aggregate Principal Amount
6	(i) Specified Denominations:	U.S.\$200,000 and, in excess thereof, integral multiples of U.S.\$1,000
	(ii) Calculation Amount:	U.S.\$1,000
7	(i) Issue Date:	21 May 2024
	(ii) Interest Commencement Date:	Issue Date
	(iii) Trade Date:	13 May 2024
	(iv) First Call Date:	21 May 2029

8	Maturity Date:	21 May 2034
9	Interest Basis:	Fixed Rate, subject to paragraph 16(i) below (further particulars specified below)
10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest or Redemption/ Payment Basis:	Applicable, see paragraph 16(i) below
12	Put/Call Options:	Issuer Call (further particulars specified below)
13	Listing:	SGX-ST
14	Status of Notes:	Subordinated
15	Method of distribution:	Syndicated

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16	<b>Fixed Rate Note Provisions</b>	Applicable
	(i) Rate(s) of Interest:	<p>5.520% per annum payable semi-annually in arrear from (and including) the Interest Commencement Date to (but excluding) the First Call Date (as specified in paragraph 7(iv)).</p> <p>From (and including) the First Call Date to (but excluding) the Maturity Date, at a fixed rate per annum (expressed as a percentage) equal to the aggregate of (a) the then-prevailing US Treasury Rate and (b) the Initial Spread. If such fixed rate in the aggregate is negative, it shall be deemed to be 0 per cent.</p> <p>For the purposes of this Pricing Supplement:</p> <p><b>“Calculation Business Day”</b> means any day, excluding a Saturday and a Sunday, on which banks are open for general business (including dealings in foreign currencies) in New York City and Singapore.</p> <p><b>“Calculation Date”</b> means the second Calculation Business Day preceding the First Call Date.</p> <p><b>“Comparable Treasury Issue”</b> means the U.S. Treasury security selected by an independent financial institution of international repute (which is appointed by the Issuer and notified by the Issuer to the Trustee) as having a maturity of five years that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities with a maturity of five years.</p> <p><b>“Comparable Treasury Price”</b> means, with respect to any Calculation Date, the average of three Reference Treasury Dealer Quotations for such Calculation Date.</p>

**“Initial Spread”** means: 1.03 per cent.

**“Reference Treasury Dealer”** means each of the three nationally recognised investment banking firms selected by the Issuer that are primary U.S. Government securities dealers.

**“Reference Treasury Dealer Quotations”** means with respect to each Reference Treasury Dealer and any Calculation Date, the average, as determined by the Calculation Agent, of the bid and asked prices for the Comparable Treasury Issue, expressed in each case as a percentage of its principal amount, quoted in writing to the Calculation Agent by such Reference Treasury Dealer at 10.00 p.m. New York City time, on such Calculation Date.

**“US Treasury Rate”** means the rate in percentage per annum notified by the Calculation Agent to the Issuer and the Noteholders (in accordance with the Conditions) equal to the yield on U.S. Treasury securities having a maturity of five years as is derived from H.15 under the caption "Treasury constant maturities", as displayed on Reuters page "FRBCMT" (or any successor page or service displaying yields on U.S. Treasury securities as agreed between the Issuer and the Calculation Agent) at 5 p.m. (New York time) on the Calculation Date. If such page (or any successor page or service does not display the relevant yield at 5 p.m. (New York time) on the Calculation Date, U.S. Treasury Rate shall mean the rate in percentage per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the Calculation Date.

If there is no Comparable Treasury Price on the Calculation Date for whatever reason, U.S. Treasury Rate shall mean the rate in percentage per annum notified by the Calculation Agent to the Issuer and the Noteholders (in accordance with the Conditions) equal to the yield on U.S. Treasury securities having a maturity of five years as is derived from H.15 under the caption "Treasury constant maturities", as was displayed on Reuters page "FRBCMT" (or any successor page or service displaying yields on U.S. Treasury securities as agreed between the Issuer and the Calculation Agent), at 5 p.m. (New York time) on

the last available date preceding the Calculation Date on which such rate was displayed on Reuters page "FRBCMT" (or any successor page or service displaying yields on U.S. Treasury securities as agreed between the Issuer and the Calculation Agent).

- (ii) Interest Payment Date(s): 21 May and 21 November in each year, provided that if any date for payment falls on a day which is not a Business Day, the date for payment will be the next succeeding Business Day. For the avoidance of doubt, Condition 7(j) applies to the Notes
- (iii) Fixed Coupon Amount(s): Not Applicable
- (iv) Broken Amount(s): Not Applicable
- (v) Day Count Fraction (Condition 4(l)): 30/360
- (vi) Other terms relating to the method of calculating interest for Fixed Rate Notes: Not Applicable

17	<b>Floating Rate Provisions</b>	Not Applicable
17A	<b>Singapore Dollar Notes:</b>	Not Applicable
18	<b>Zero Coupon Note Provisions</b>	Not Applicable
19	<b>Credit Linked Note Provisions</b>	Not Applicable
20	<b>Equity Linked Note Provisions</b>	Not Applicable
21	<b>Bond Linked Note Provisions</b>	Not Applicable
22	<b>Index Linked Interest Note Provisions</b>	Not Applicable
23	<b>Dual Currency Note Provisions</b>	Not Applicable

**PROVISIONS RELATING TO REDEMPTION**

24	<b>Call Option</b>	Applicable
	(i) Optional Redemption Date(s):	The First Call Date only, subject to regulatory approval (paragraph (ii) of Condition 5(d)(ii) shall not apply to the Notes)
	(ii) Optional Redemption Amount(s) of each Note and specified denomination method, if any, of calculation of such amount(s):	U.S.\$1,000 per Calculation Amount
	(iii) If redeemable in part:	Not Applicable
	(iv) Notice period:	As provided for in the Conditions
25	<b>Put Option</b>	Not Applicable

26	<b>Variation instead of Redemption (Condition 5(h))</b>	Applicable
27	<b>Final Redemption Amount of each Note</b>	U.S.\$1,000 per Calculation Amount
28	<b>Early Redemption Amount</b>	
	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons (Condition 5(c)) or an event of default (Condition 10) and/or the method of calculating the same (if required or if different than that set out in the Conditions):	U.S.\$1,000 per Calculation Amount

#### **PROVISIONS RELATING TO LOSS ABSORPTION**

29	Loss Absorption Option: Write-off on a Trigger Event (Condition 6(b)):	Applicable
30	Loss Absorption Option: Conversion:	Not Applicable

#### **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

31	Form of Notes:	<b>Registered Notes:</b> Regulation S Unrestricted Global Certificate (U.S.\$500,000,000 nominal amount) registered in the name of a nominee for a common depository for Euroclear and Clearstream
32	Financial Center(s) (Condition 7(j)) or other special provisions relating to Payment Dates:	New York City and Singapore
33	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
34	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	Not Applicable
35	Details relating to Instalment Notes: amount of each Instalment, date on which each payment is to be made:	Not Applicable
36	Redenomination, renominalisation and reconventioning provisions:	Not Applicable
37	Consolidation provisions:	Not Applicable
38	Other terms or special conditions:	Applicable. Please refer to Schedule 2 for certain modifications to the Conditions.

## DISTRIBUTION

39	(i)	If syndicated, names of Managers:	Citigroup Global Markets Singapore Pte. Ltd. J.P. Morgan Securities Asia Private Limited Merrill Lynch (Singapore) Pte. Ltd. Oversea-Chinese Banking Corporation Limited Standard Chartered Bank (Singapore) Limited The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch Wells Fargo Securities International Limited
	(ii)	Stabilisation Manager (if any):	Any of the Managers appointed and acting in its capacity as stabilisation manager
40		If non-syndicated, name of Dealer:	Not Applicable
41		Whether TEFRA D or TEFRA C was applicable or TEFRA rules not applicable:	TEFRA not applicable
42		Additional selling restrictions:	Not Applicable

## HONG KONG SFC CODE OF CONDUCT

43	(i)	Rebates	Not Applicable
	(ii)	Contact email addresses of the Overall Coordinators where underlying investor information in relation to omnibus orders should be sent:	investor.info.hk.bond.deals@jpmorgan.com

## OPERATIONAL INFORMATION

44		ISIN Code:	XS2823260604
45		Common Code:	282326060
46		CUSIP:	Not Applicable
47		CMU Instrument Number:	Not Applicable
48		Legal Entity Identifier (LEI):	5493007O3QFXCPOGWK22
49		Any clearing system(s) other than CDP, the CMU, Austraclear, Euroclear and Clearstream and/or DTC and the relevant identification number(s):	Not Applicable
50		Delivery:	Delivery against payment
51		Additional Paying Agent(s) (if any):	Not Applicable
52		The Agents appointed in respect of the Notes are:	Not Applicable

## GENERAL INFORMATION

53		Governing law of Notes:	English, save that the provisions of the subordination, set-off and payment void, default and enforcement Conditions in Condition 3(b), Condition 3(c), Condition 3(d), Condition 10(b)(ii)
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and Condition 10(b)(iii) are governed by, and shall be construed in accordance with, Singapore law

**PURPOSE OF PRICING SUPPLEMENT**

This Pricing Supplement comprises the final terms required for the issue and admission to trading on the SGX-ST of the Notes described herein pursuant to the U.S.\$30,000,000,000 Global Medium Term Note Programme of Oversea-Chinese Banking Corporation Limited.

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By: \_\_\_\_\_

Duly authorised

Goh Chin Yee  
Group Chief Financial Officer

By: \_\_\_\_\_

Duly authorised

Koh Li-San  
Head, Funding and Capital Management

## SCHEDULE 1

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

### PRESENTATION OF FINANCIAL INFORMATION

On 10 May 2024, OCBC published its "Trading Update" that included certain of its unaudited consolidated financial results for the three months/first quarter ended 31 March 2024 (the "**First-quarter Trading Update**"). The First-quarter Trading Update is included hereto as Schedule 3.

### RECENT DEVELOPMENTS

#### Acquisition of PT Bank Commonwealth Indonesia

OCBC Indonesia completed the acquisition of PT Bank Commonwealth Indonesia ("**PTBC**") on 1 May 2024. OCBC Indonesia now owns 100% of PTBC's shares, making PTBC a wholly-owned subsidiary of OCBC Indonesia.

The acquisition brings more than 1.2 million PTBC customers to OCBC Indonesia. PTBC will continue to operate independently until the integration process is completed. This is targeted to be in the fourth quarter of 2024. During this period, PTBC will serve its customers as usual with its banking products and services, including banking transactions at PTBC's branches and through digital channels.

This acquisition underscores Indonesia's continued importance to the Group. It is one of the Group's core markets together with Singapore, Malaysia and Greater China, and presents many opportunities as ASEAN's largest economy and the world's fourth most populous country. China is Indonesia's largest trading partner and Indonesia's second largest investor. Combining PTBC's capabilities with OCBC Indonesia enables OCBC Group to better capture the opportunities from the increasing ASEAN-Greater China wealth, trade and investment flows, in line with the Group's corporate strategy.

In relation to this acquisition, please also see the discussion under "*Risk Factors – Risks Relating to Our Business – We may seek opportunities for growth through acquisitions and could face integration and other acquisition risks*".

#### Voluntary unconditional general offer for all the issued ordinary shares in the capital of Great Eastern Holdings Limited

On 10 May 2024, OCBC announced a S\$1.4 billion voluntary unconditional general offer ("**Offer**") for the 11.56% stake in Great Eastern Holdings Limited ("**Great Eastern Holdings**") that it does not currently own, a move aimed at strengthening OCBC's business pillars of banking, wealth management and insurance, and optimising its capital to enhance shareholder returns. OCBC's corporate strategy gained strong momentum in 2023, leveraging on OCBC's strengths to capitalise on the opportunities in one of the world's fastest-growing regions. The Offer is in line with OCBC's strategy to solidify its wealth management leadership position to drive growth by capturing rising Asian wealth.

The Offer price of S\$25.60 represents a 36.9% premium over Great Eastern Holdings' last traded price of S\$18.70 on 9 May 2024 and premiums of 38.6%, 40.0%, 41.9% and 42.4% over the volume weighted average price for the one-month, three-month, six-month and 12-month periods up to and including the last trading date of 9 May 2024.

With the Offer, OCBC intends to increase its investment in Great Eastern Holdings beyond its current stake of 88.44%, with a view to delisting Great Eastern Holdings from the SGX-ST.

In relation to the Offer, please also see the discussion under “*Risk Factors – Risks Relating to Our Business – We may seek opportunities for growth through acquisitions and could face integration and other acquisition risks*”.

## **RISK FACTORS**

The section “**RISK FACTORS**” beginning on page 33 of the Offering Memorandum shall be amended as follows:

- A. The risk factor “***We are subject to a statutory bail-in regime.***” beginning on page 51 of the Offering Memorandum shall be deleted in its entirety (including the sub-header) and substituted therefor with the following:

***“We are subject to a statutory bail-in regime.***

In 2018, the MAS’ powers in respect of the resolution and recovery of distressed financial institutions were strengthened to include provisions relating to temporary stays and suspensions, statutory bail in powers, cross border recognition of resolutions actions, creditor compensation and resolution funding. These powers were previously contained in the Monetary Authority of Singapore Act 1970 of Singapore (the “**MAS Act**”) and the Monetary Authority of Singapore (Resolution of Financial Institutions) Regulation 2018. These powers have since been migrated with effect from 10 May 2024 and are currently set out in the Financial Services and Markets Act 2022 of Singapore (the “**FSM Act**”) and the Financial Services and Markets (Resolution of Financial Institutions) Regulations 2024 (the “**RFI Regulations**”).

The MAS is empowered under Division 6 of Part 8 of the FSM Act to write down or convert a financial institution’s debt into equity. The entities subject to the statutory bail-in powers of the MAS are presently limited to Singapore-incorporated banks and designated financial holding companies which have at least one subsidiary that is a Singapore-incorporated bank (each a “**Division 6 FI**”). The classes of instruments subject to the bail-in are:

- (a) any equity instrument or other instrument that confers or represents a legal or beneficial ownership in the Division 6 FI except an ordinary share;
- (b) any unsecured liability or other unsecured debt instrument that is subordinated to unsecured creditors’ claims of the Division 6 FI that are not so subordinated; and
- (c) any instrument that provides for a right for the instrument to be written down, cancelled, modified, changed in form or converted into shares or another instrument of ownership, when a specified event occurs,

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

In addition, MAS is empowered to require financial institutions to prepare, review and keep up-to-date a recovery plan, to temporarily stay counterparties’ rights to terminate contracts with financial institutions in resolution, and to recognise resolution actions taken by a foreign resolution authority on financial institutions in Singapore.

Under regulation 33 of the RFI Regulations, a “qualifying pertinent financial institution” (“**QPFI**”) and its subsidiaries are required to include enforceable provisions in financial contracts governed by foreign law which contain termination rights to ensure that the exercise of the termination rights for such contracts will be subject to MAS’ temporary stay powers under sections 92 and 93 of the FSM Act. A QPFI is defined as a bank that is

incorporated in Singapore and to which a direction has been issued under section 52(1) of the FSM Act (on, prior to 10 May 2024, under section 43(1) of the MAS Act) (concerning directions for recovery planning and implementation). This would apply to our Group. A three-year transitional period has been provided from 1 November 2021 for QPFIs to implement the contractual recognition requirement. The contractual recognition requirement will come into effect on 1 November 2024.

There are safeguards in connection with MAS' powers relating to compulsory transfer, reverse transfer and onward transfer of business during resolution.

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

- B. The risk factor "***The resolution regime in Singapore may override the contract terms of the Subordinated Notes and the Perpetual Capital Securities, and the exercise of bail-in powers may be beyond the control of the relevant Issuer.***" beginning on page 60 of the Offering Memorandum shall be deleted in its entirety (including the sub-header) and substituted therefor with the following:

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

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

Holders of Subordinated Notes or Perpetual Capital Securities and the Trustee, as applicable, are deemed to agree to be bound by the terms of a Bail-in Certificate. Accordingly, the rights of such holders are subject to, and will be amended and varied (if necessary), solely to give effect to, the exercise of the MAS' powers under Division 6 of Part 8 of the FSM Act.

The determination of the viability of the relevant Issuer and the exercise of the MAS' powers is largely at the discretion of the MAS. While the MAS must have regard to the desirability of giving a pre-resolution creditor the priority and treatment that the pre-resolution creditor would have enjoyed had the Division 6 FI been wound up, the MAS may also consider other factors in determining whether to exercise its powers in accordance with this principle.

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

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

## **SUPERVISION AND REGULATION**

The section “**SUPERVISION AND REGULATION**” beginning on page 357 of the Offering Memorandum shall be deleted in its entirety and substituted therefor with the following:

### **“SUPERVISION AND REGULATION**

#### **Singapore Banking Industry**

##### ***Introduction***

Singapore licensed banks come within the ambit of the Banking Act and the MAS, as the administrator of the Banking Act, supervises and regulates the banks and their operations. In addition to provisions in the Banking Act and the subsidiary legislation issued thereunder, banks have to comply with notices, circulars, guidelines, practice notes and codes issued by the MAS from time to time, which may be issued to the banking industry generally or to a Singapore licensed bank specifically.

A licensed bank’s operations may include the provision of capital markets services and financial advisory services. A bank licensed under the Banking Act is exempt from holding a capital markets services licence under the SFA and from holding a financial adviser’s licence under the Financial Advisers Act 2001 of Singapore (the “**FAA**”). However, a licensed bank will nonetheless have to comply with the SFA and the FAA and the subsidiary legislation issued thereunder, as well as notices, circulars, guidelines, practice notes and codes issued by the MAS from time to time, as may be applicable to it in respect of these regulated activities, and its conduct of any other activities that fall within the ambit of the SFA and FAA.

##### ***The Monetary Authority of Singapore***

The MAS is banker and financial agent to the Singapore Government and is the central bank of Singapore. Following its merger with the Board of Commissioners of Currency, Singapore on 1 October 2002, the MAS has also assumed the functions of currency issuance. The MAS’ functions include: (a) to act as the central bank of Singapore, including the conduct of monetary policy, the issuance of currency, the oversight of payment systems and serving as banker to and financial agent of the Singapore Government; (b) to conduct integrated supervision of financial services and financial stability surveillance; (c) to manage the official foreign reserves of Singapore; and (d) to develop Singapore as an international financial centre.

##### **The Regulatory Environment**

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

On 3 September 2020, the MAS announced measures to enhance the banking system’s access to SGD and USD funding, which are intended to strengthen banking sector resilience, promote more stable SGD and USD funding conditions, and support credit intermediation amid continued economic headwinds from the COVID-19 pandemic.

A new MAS SGD Term Facility was launched in the week of 28 September 2020, to provide banks and finance companies an additional channel to borrow SGD funds at longer tenors and with more forms of collateral. The MAS SGD Term Facility will offer SGD funds in the 1-month and 3-month tenors, complementing the existing overnight MAS Standing Facility. In line with the MAS SGD Term Facility’s objective to serve as a liquidity backstop, pricing will be set above prevailing market rates. A wider range of collateral comprising cash and marketable securities in SGD and major currencies will be accepted. In particular, D-SIBs that are incorporated in Singapore will be able to pledge eligible residential property loans as collateral at the MAS SGD Term Facility.

Likewise, the range of collateral that banks in Singapore could use to access USD liquidity from the MAS USD Facility was also expanded to a wider pool of cash and marketable securities, in line with what was

accepted at the MAS SGD Term Facility. The MAS USD Facility has since expired on 31 December 2021.

The MAS also indicated that it would raise the asset encumbrance limit imposed on locally-incorporated banks under the Banking Act. The asset encumbrance limit will be increased to 10% of a locally-incorporated bank's total assets, up from the current limit of 4%. This increase will give the locally-incorporated banks greater leeway to pledge residential property loans as collateral to access funding, so that they can support the financial needs of individuals and businesses that are affected by the COVID-19 pandemic.

The MAS announced on 5 July 2021 that it will extend the MAS SGD Facility for ESG Loans from 1 October 2021 to 31 March 2022. This Facility provides low-cost funding for banks and finance companies to grant loans under Enterprise Singapore's Enterprise Financing Scheme – SME Working Capital Loan and Temporary Bridging Loan Programme. On 18 February 2022, the MAS announced that it will further extend the MAS SGD Facility for ESG Loans from 1 April 2022 to 30 September 2022. A revised interest rate of 0.5% per annum will apply for funding provided from the May 2022 application window onwards to better reflect interest rates in Singapore.

### ***Framework for Systemically Important Banks in Singapore***

OCBC was designated as a D-SIB in Singapore on 30 April 2015. The framework for D-SIBs is set out in the MAS' Framework for Impact and Risk Assessment of Financial Institutions (revised in September 2015), which builds on the proposals set out in the MAS Consultation Paper on the Proposed Framework for Systemically Important Banks in Singapore dated 25 June 2014. Broadly, D-SIBs will be subject to more intensive supervision by the MAS than banks which are not so designated. In particular, locally-incorporated D-SIBs are subject to higher loss absorbency requirement, which may have an adverse effect on OCBC's return on capital and profitability.

### ***Capital Adequacy Ratios ("CAR")***

In December 2010, the Basel Committee published Basel III which presents the details of global regulatory standards on bank capital adequacy and liquidity, aimed at strengthening global capital standards and promoting a more resilient banking sector.

Basel III sets out higher capital standards for banks, and introduced two global liquidity standards: the "Liquidity Coverage Ratio", intended to promote resilience to potential liquidity disruptions over a 30-day horizon and the "Net Stable Funding Ratio", which requires a minimum amount of stable sources of funding at banks relative to the liquidity profiles of their assets and potential for contingent liquidity needs arising from off-balance sheet commitments over a one-year horizon. In January 2011, the Basel Committee has also published requirements for all classes of capital instruments issued on or after 1 January 2013 to be loss absorbing at the point of non-viability. In July 2012, the Basel Committee further published the interim framework for capitalisation of bank exposures to central counterparties.

MAS Notice 637 implements Basel III capital standards for Singapore-incorporated banks and sets out the current requirements relating to the minimum capital adequacy ratios for Singapore-incorporated banks and the methodology such banks shall use for calculating these ratios. MAS Notice 637 also sets out the expectations of the MAS in respect of the internal capital adequacy assessment process of Singapore-incorporated banks under the supervisory review process and specifies the minimum disclosure requirements for Singapore-incorporated banks in relation to its capital adequacy.

Pursuant to MAS Notice 637, the MAS has imposed capital adequacy ratio requirements on a Singapore-incorporated bank at two levels:

- (a) the bank standalone (“**Solo**”) level capital adequacy ratio requirements, which measure the capital adequacy of a Singapore-incorporated bank based on its standalone capital strength and risk profile; and
- (b) the consolidated (“**Group**”) level capital adequacy ratio requirements, which measure the capital adequacy of a Singapore-incorporated bank based on its capital strength and risk profile after consolidating the assets and liabilities of its subsidiaries and any other entities which are treated as part of the bank’s group of entities according to SFRS (collectively called “**banking group entities**”) taking into account any exclusions of certain bank group entities or any adjustments pursuant to securitisation required under MAS Notice 637.

In addition to complying with the above capital adequacy ratio requirements in MAS Notice 637, a Singapore-incorporated bank should consider as part of its internal capital adequacy assessment process whether it has adequate capital at both the Solo and Group levels to cover its exposure to all risks.

Under MAS Notice 637, D-SIBs will be required to meet capital adequacy requirements that are higher than the Basel Committee’s requirements. MAS Notice 637 sets out a minimum Common Equity Tier 1 (“**CET1**”) CAR of 6.5%, Tier 1 CAR of 8.0% and a Total CAR of 10.0% for D-SIBs incorporated in Singapore. The minimum capital requirements under MAS Notice 637 are two percentage points higher than the Basel III minima specified by the Basel Committee, and are aimed to reduce the probability of failure of D-SIBs by increasing their going-concern loss absorbency.

Under the requirements of the Basel Committee, banks are required to maintain minimum CET1 CAR, Tier 1 CAR and Total CAR of 4.5%, 6.0% and 8.0%, respectively, from 1 January 2015. In addition, banks are required to hold a Capital Conservation Buffer (“**CCB**”) of 2.5% above the minimum capital adequacy requirements to weather periods of high stress. This CCB is to be met with CET1 capital and began at 0.625% on 1 January 2016, increasing by an additional 0.625 percentage points in each subsequent year, and reached 2.5% on 1 January 2019.

Furthermore, banks may be subject to a countercyclical buffer ranging from 0% to 2.5% which will be implemented by each country when there has been a build-up of system-wide risk associated with excessive aggregate credit growth in their systems, with discretion on the implementation according to their national circumstances. The countercyclical buffer was phased in from 1 January 2016 to 1 January 2019. It is not an ongoing requirement but only applied as and when specified by the relevant national banking supervisors. The countercyclical buffer is to be maintained in the form of CET1 capital.

In line with the Basel Committee’s requirements, the MAS has introduced in MAS Notice 637 a CCB of 2.5% above the minimum capital adequacy requirements. The CCB will be met with CET1 capital and begins at 0.625% on 1 January 2016, increasing by an additional 0.625% in each subsequent year, to reach its final level of 2.5% on 1 January 2019. The MAS has also introduced in MAS Notice 637 a countercyclical buffer requirement in the range of 0% to 2.5% to be met with CET1 capital. The actual magnitude of the countercyclical buffer applicable to a Singapore-incorporated bank is the weighted average of the country-specific countercyclical buffer requirements that are being applied by the regulators in the countries to which the bank has private sector credit exposures.

The table below summarises the capital requirements under MAS Notice 637 for D-SIBs.

From 1 January	2015	2016	2017	2018	2019
<b>Minimum CARs %</b>					
CET1 (a) .....	6.5	6.5	6.5	6.5	6.5
CCB (b) .....		0.625	1.25	1.875	2.5
CET1 including CCB (a) + (b) . . .	6.5	7.125	7.75	8.375	9.0
Tier 1 including CCB .....	8.0	8.625	9.25	9.875	10.5
Total including CCB .....	10.0	10.625	11.25	11.875	12.5
Maximum Countercyclical Buffer .....		0.625	1.25	1.875	2.5

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

In addition to changes in minimum capital requirements, Basel III also mandates various adjustments in the calculation of capital resources. These adjustments include items such as goodwill, intangible assets, deferred tax assets and investments in unconsolidated financial institutions in which the bank holds a major stake and are fully-phased in as at 1 January 2018.

MAS Notice 637 was amended on 17 October 2016 to implement requirements for Singapore-incorporated banks that are consistent with the final standards issued by the Basel Committee in relation to (a) capital requirements for banks' equity investments in funds, (b) the Basel Committee's standardised approach for measuring counterparty credit risk exposures, (c) capital requirements for bank exposures to central counterparties, and (d) revised Pillar 3 disclosure requirements. The amendments will enhance the risk capture of banks' equity exposures and counterparty credit risk exposures, while the revised Pillar 3 disclosure requirements will improve comparability and consistency of disclosures and enable market participants to better assess a bank's capital adequacy. Revisions have also been made to align the regulatory capital treatment for investments in unconsolidated major stake entities that are not financial institutions, and for private equity and venture capital investments, with the treatment of significant investments in commercial entities under the Basel capital framework. The amendments took effect from 1 January 2017. For amendments relating to the standardised approach for measuring counterparty credit risk exposures and capital requirements for bank exposures to central counterparties, transitional arrangements are provided to allow more time for implementation. For Pillar 3 disclosure requirements, the disclosures required under the revised framework will be for the reporting periods ending on or immediately after 1 January 2017 for the majority of disclosure templates and 1 January 2018 for the remaining templates.

On 22 September 2017, a revised MAS Notice 637 was issued. Among other things, the transitional arrangements for the adoption of the Internal Ratings Based Approach were amended to reflect certain changes in the calculation of the amount of capital floors, including removing "Tier 1 Capital Resources Requirement" from the basis in calculating the amount of capital floors. Revisions were also made to the reporting schedules in MAS Notice 637.

Separately, the MAS released a consultation paper on proposed amendments to MAS Notice 637 on 9 January 2017 to implement requirements that are consistent with the final standards issued by the Basel Committee in relation to revisions to the securitisation framework and standards for interest rate risk in the banking book ("IRRBB"). The proposed framework for IRRBB sets out Pillar 2 requirements for the identification, measurement, monitoring and control of IRRBB, and disclosure requirements under prescribed interest rate shock scenarios. On 29 November 2017, the MAS

released its response to this consultation paper and issued a revised MAS Notice 637 to implement amendments to the securitisation framework. These strengthen capital standards for securitisation exposures, while providing a preferential capital treatment for simple, transparent and comparable securitisations. The framework for IRRBB, which was finalised and incorporated into a revised MAS Notice 637 on 13 November 2018 and took effect from 31 December 2018, sets out requirements for the identification, measurement, monitoring and control of IRRBB that are consistent with the standard issued by the Basel Committee.

On 25 July 2017, the MAS issued the Consultation Paper on the Proposed Amendments to Capital Requirements for Singapore-Incorporated Banks in MAS Notice 637 which proposes amendments to introduce the minimum leverage ratio requirement of 3.0%. Technical enhancements were also proposed on the capital treatment of equity investments and the definition of default under the Internal Ratings Based Approach for credit risk. On 28 December 2017, MAS Notice 637 was revised to introduce a minimum leverage ratio requirement of 3.0% at the Solo and Group levels with effect from 1 January 2018.

On 20 December 2017, the MAS issued a Consultation Paper on Proposed Amendments to Widen the Scope of Eligible Collateral Relating to Commodities and Equity Securities in MAS Notice 637, to propose amendments to MAS Notice 637 to widen the scope of eligible collateral relating to commodities and equity that may be recognised for credit risk mitigation purposes. The MAS issued its response to this consultation on 13 November 2018, and implemented its proposed revisions to the list of eligible collateral in MAS Notice 637 with effect from 16 November 2018.

On 13 November 2018, MAS Notice 637 was also amended to implement the Basel Committee's total loss-absorbing capacity ("**TLAC**") holdings standard which sets out the regulatory capital treatment of banks' investments in instruments that comprise TLAC for global systemically important banks ("**G-SIBs**") (the "**TLAC Amendments**"). The TLAC Amendments sought to limit contagion within the financial system if a G-SIB were to enter resolution. They introduced, among other things, the requirement of an additional 5% threshold for non-regulatory capital TLAC holdings, and confine the usage of the additional 5% threshold to non-regulatory capital TLAC holdings that meet certain prescribed conditions, including the conditions that such TLAC holdings must be: (a) in the bank's trading book; and (b) sold within 30 business days of the date of its acquisition. The TLAC Amendments took effect from 1 January 2019.

With effect from 30 June 2019, further amendments were made to MAS Notice 637 to allow the recognition of on-balance sheet netting agreements for loans and deposits for credit risk mitigation purposes, introduce proportionality for disclosure requirements, revise certain disclosure templates, and implement other technical revisions.

On 31 March 2020, in light of the COVID-19 pandemic, MAS Notice 637 was amended to allow the full recognition of balances maintained in regulatory loss allowance reserve accounts as Tier 2 Capital between 31 March 2020 and 30 September 2021 (both dates inclusive). Further technical revisions to MAS Notice 637 were implemented with effect from 1 October 2020, including the capital treatment of public sector entities.

With effect from 1 July 2021, MAS Notice 637 was amended to specify the transitional arrangements for the adoption of the standardised approach for counterparty credit risk ("**SA-CCR**") and to indicate that the revised capital requirements for bank exposures to central counterparties will cease on 31 December 2021. It also reflects amendments setting out an alternative treatment for the measurement of derivative exposures for leverage ratio calculation, using a modified version of SA-CCR as well as other amendments to implement technical revisions to the credit risk framework. Further amendments to MAS Notice 637 were made with effect from 18 August 2021 to implement the framework for the treatment of major stake investments in financial institutions at the Solo level.

With effect from 31 December 2021, MAS Notice 637 was amended to incorporate edits in relation to the insertion of a new charge to be held by the Housing and Development Board under the Prime Location Public Housing model. Further amendments effective from 1 January 2022 were also made to MAS Notice 637 to: (a) incorporate clarifications to the SA-CCR framework and the revised capital requirements for bank exposures to central counterparties, (b) implement revisions to the internal ratings-based approach application process and (c) implement technical revisions to the disclosure framework.

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

After a SMS phishing scam impersonating OCBC took place in December 2021, on 26 May 2022, the MAS applied a multiplier of 1.3 times to our risk-weighted assets for operational risk. Following the scams, we engaged an independent firm to review our systems and processes. Deficiencies were noted in our mitigation of identified risks, pre- and post-transaction controls, incident management and complaints handling, resulting in delays in containment measures and customer response time. The additional capital requirement has since been lifted on 26 October 2023 in view that we have taken satisfactory measures to address the deficiencies identified.

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

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

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

On 20 September 2023, the MAS published the updated reporting schedules and resources for MAS Notice 637 to implement the final Basel III reforms. On the same day, the MAS also published its response to feedback received pertaining to the various consultation papers on revisions to MAS Notice 637 that were published on (a) 17 December 2020 in relation to draft standards for operational risk capital and leverage ratio requirements; (b) 25 March 2021 in relation to draft standards for credit risk capital and output floor requirements; (c) 13 September 2021 in relation to draft standards for market risk capital and capital reporting requirements; and (d) 30 March 2022 in relation to draft public disclosure requirements for regulatory capital.

## **Other Key Prudential Provisions**

### ***Liquidity Coverage Ratio and Net Stable Funding Ratio***

On 28 November 2014, the MAS issued MAS Notice 649. MAS Notice 649, which took effect on 1 January 2015, introduces a new liquidity requirement framework to implement the Basel III LCR rules and applies to banks in Singapore. Under MAS Notice 649 (as last revised on 24 June 2022), a D-SIB which is incorporated in Singapore and whose head office or parent bank is incorporated in Singapore shall maintain at all times, a Singapore Dollar LCR requirement of at least 100% and an all-currency LCR requirement of at least 60% by 1 January 2015, with the all-currency LCR requirement increasing by 10% each year to 100% by 2019.

On 14 December 2015, the MAS issued MAS Notice 651 on Liquidity Coverage Ratio Disclosure ("**MAS Notice 651**"), which took effect on 1 January 2016. MAS Notice 651 was last revised on 24 June 2022.

On 10 July 2017, the MAS issued a new MAS Notice 652 on Net Stable Funding Ratio ("**MAS Notice 652**") to implement the proposals set out in the consultation paper on Local Implementation of Basel III Liquidity Rules – Net Stable Funding Ratio ("**NSFR**") and NSFR Disclosure Requirements which was released in November 2016. MAS Notice 652 applies to D-SIBs and internationally active banks and took effect from 1 January 2018 (save for the Required Stable Funding add-on for derivative liabilities, which took effect from 1 October 2019). Under MAS Notice 652, a D-SIB incorporated and whose head office or parent bank is incorporated in Singapore must maintain an all-currency NSFR of at least 100% on a consolidated level (excluding certain banking group entities such as an insurance subsidiary).

The MAS consulted on the implementation of NSFR disclosure requirements as part of the public consultation on Proposed Amendments to Disclosure Requirements under MAS Notice 637, 651 and 653 which was separately issued on 10 July 2017. The proposed amendments to the disclosure frequencies under MAS Notice 651 on Liquidity Coverage Ratio Disclosure and MAS Notice 653 on Net Stable Funding Ratio Disclosure have been included in accordance with the Basel Committee's revised standards. On 28 December 2017, the MAS issued the revised MAS Notices 637 and 651 and a new MAS Notice 653 on Net Stable Funding Ratio Disclosure ("**MAS Notice 653**") to implement disclosure requirements for Singapore-incorporated banks that are consistent with the Basel Committee's revised standards on Pillar 3 disclosures under the Basel III framework. The amendments to MAS Notice 637 took effect on 1 January 2018 (except where indicated otherwise). The revised MAS Notice 651 took effect from 31 December 2017 and MAS Notice 653 took effect from 1 January 2018. Subsequently, MAS Notice 651 and MAS Notice 653 were revised again with effect from 1 October 2019, to, among other things, clarify the scope of their application. MAS Notice 653 was last revised on 24 June 2022.

MAS Notice 651 and MAS Notice 653 set out requirements applicable to banks incorporated in Singapore that are D-SIBs or internationally active banks for the disclosure of quantitative and qualitative information about LCR and NSFR respectively. Under the revised MAS Notice 651, a D-SIB that is incorporated in Singapore and whose head office or parent bank is incorporated in Singapore, or an internationally active bank, is required to disclose quantitative and qualitative

information about its LCR on a consolidated level (excluding certain banking group entities such as an insurance subsidiary) on a quarterly basis. MAS Notice 651 also sets out additional disclosure requirements on quantitative and qualitative information, such as the annual disclosure of information relating to its internal liquidity risk measurement and management framework.

Under MAS Notice 653, a D-SIB that is incorporated in Singapore and whose head office or parent bank is incorporated in Singapore, or an internationally active bank, is required to disclose quantitative and qualitative information about its NSFR on a consolidated level (excluding certain banking group entities such as an insurance subsidiary) on a semi-annual basis.

### ***Minimum Cash Balance***

Under Section 39 of the Banking Act and MAS Notice 758 on Minimum Cash Balance (“**MAS Notice 758**”), a bank is also required to maintain, during a maintenance period, in its current account and custody cash account an aggregate minimum cash balance with MAS of at least an average of 3.0% of its average Singapore Dollar Qualifying Liabilities (as defined in paragraph 7 of MAS Notice 649 on Minimum Liquid Assets and Liquidity Coverage Ratio (“**MAS Notice 649**”)) computed during the relevant two-week period beginning on a Thursday and ending on a Wednesday (the “**MCB requirement**”). A bank may, on a day-to-day basis, maintain in its current account and custody cash account, an aggregate cash balance within a band of 1% above or below the MCB requirement at the close of business. A bank must, at all times, maintain in its current account and custody cash account, an aggregate minimum cash balance of at least 2% of the average of the Singapore Dollar Qualifying Liabilities computed during the computation period, at the close of business of every day during the maintenance period.

### ***Exposures and Credit Facilities***

Under Section 29 of the Banking Act, the MAS may, by notice in writing to any bank in Singapore, or any class of banks in Singapore, impose such requirements as may be necessary or expedient for the purposes of:

- (a) identifying any person or class of persons, where exposure of the bank, or a bank within the class of banks, to the person or class of persons may result in concentration risk to the bank; or
- (b) limiting the exposure of the bank, or a bank within the class of banks, to any person or class of persons, where the exposure may result in concentration risk to the bank.

For the purposes of this paragraph, “exposure” means the maximum loss that a bank may incur as a result of the failure of a counterparty to meet any of its obligations.

On 3 January 2018, the MAS released a Consultation Paper on Proposed Revisions to the Regulatory Framework for Large Exposures of Singapore-incorporated Banks. The proposed revisions take into account relevant aspects of the “Supervisory framework for measuring and controlling large exposures” published by the Basel Committee in April 2014, and will apply only to Singapore-incorporated banks. The MAS released the Response to Feedback Received – Proposed Revisions to the Large Exposures Framework for Singapore-Incorporated Banks on 31 August 2018 and will, among other things, tighten the large exposures limit from 25% of eligible total capital to 25% of Tier 1 capital.

On 14 August 2019, the MAS issued MAS Notice 656 on Exposures to Single Counterparty Groups for Banks Incorporated in Singapore (“**MAS Notice 656**”) implementing the revised requirements. MAS Notice 656 provides that, among other things, a bank incorporated in Singapore must not permit:

- (a) at the Solo level, the aggregate of its exposures to any single counterparty group to exceed 25% of its Tier 1 capital; and
- (b) at the Group level, the aggregate of the exposures of the banking group to any counterparty, any director group, any substantial shareholder group or any connected counterparty group to exceed 25% of the Tier 1 capital of the banking group. On 1 July 2021, MAS Notice 656 was amended to, amongst others, reflect that the transitional arrangements for the adoption of the standardised approach for credit risk under MAS Notice 637 will cease on 31 December 2021 and to clarify the treatment for an exempt exposure that is secured by eligible financial collateral or eligible credit protection.

On 3 May 2024, the MAS issued a revised MAS Notice 656 which will take effect from 1 July 2024. The revised MAS Notice 656 sets out consequential amendments arising from the re-issuance of MAS Notice 637 which takes effect on 1 July 2024 and amendments made to implement other technical revisions.

On 1 July 2021 a new Section 29A to the Banking Act intended to enhance the monitoring and control of the risk of conflict between the interests of a bank in Singapore and the interests of certain persons, branches or head offices that are related to the bank took effect. The new Section 29A provides that the MAS may, by written notice, impose requirements that are reasonably necessary for the purposes of identifying credit facilities from, exposures of and transactions of, the bank, to or with certain persons, branches, entities or head offices that may give rise to any conflict of interest, and for monitoring, limiting and restricting such credit facilities, exposures and transactions. Among other things, the notice may prohibit the bank from granting any credit facility, creating any exposure or entering into any transaction to or with such a person, branch, entity or head office.

#### ***Credit Loss Allowance***

On 29 December 2017, the MAS issued the revised MAS Notice 612 on Credit Files, Grading and Provisioning (which took effect on 1 January 2018) in relation to the changes in the recognition and measurement of allowance for credit losses introduced in SFRS(I) 9. The regulatory requirement on minimum impairment provisions for credit-impaired exposures has been removed, and banks are to measure and recognise loss allowances for expected credit losses in accordance with the requirements of SFRS(I) 9. In addition, locally-incorporated banks which are designated by the MAS as D-SIBs are to maintain Minimum Regulatory Loss Allowances. Where the Accounting Loss Allowance falls below the Minimum Regulatory Loss Allowance, a locally-incorporated D-SIB is required to recognise the additional loss allowance by establishing a non-distributable regulatory loss allowance reserve account through appropriation of retained earnings. Every bank in Singapore is required to make adequate provisions for bad and doubtful debts and before any profit or loss is declared, ensure that the provision is adequate.

#### ***Related Party Transactions***

MAS Notice 643 on Transactions with Related Parties (“**MAS Notice 643**”) was issued pursuant to Section 29A(1) of the Banking Act and took effect on 1 July 2021. It sets out requirements relating to transactions of banks in Singapore with related parties and the responsibilities of banks in relation to transactions of branches or entities in the bank’s group with related parties, which seek to minimise the risk of abuse arising from conflicts of interest in such transactions.

Under MAS Notice 643, a bank in Singapore is also required to obtain the approval of a special majority of three-fourths of its board and ensure that every branch or entity in its bank group obtains the approval of a special majority of three-fourths of the entity’s board before entering into related party transactions that pose material risks to the bank (unless otherwise exempt), or write off any of its exposure to any of the bank’s related parties, in order to provide more effective oversight over banks’ related party transactions.

### ***Permitted businesses and holdings***

A bank in Singapore is prohibited from carrying on or entering into any partnership, joint venture or other arrangement with any person to carry on any business except:

- (a) banking business;
- (b) business which is regulated or authorised by the MAS or, if carried on in Singapore, would be regulated or authorised by the MAS under any written law;
- (c) business which is incidental to (a) or (b);
- (d) business or a class of business prescribed by the MAS; or
- (e) any other business approved by the MAS (Section 30 of the Banking Act).

On 29 September 2017, the MAS released a Consultation Paper on the Review of Anti-Commingling Framework for Banks which proposes to refine the anti-commingling framework for banks in two key aspects, including streamlining the conditions and requirements under regulation 23G of the Banking Regulations so as to make it easier for banks to conduct or invest in permissible non-financial businesses that are related or complementary to their core financial businesses, and allowing banks to engage in the operation of digital platforms that match buyers and sellers of consumer goods or services, as well as the online sale of such goods or services. In this connection, the MAS has also proposed amendments to regulations 23F and 23G of the Banking Regulations in the Consultation Paper on Proposed Amendments to Regulations, Notices and Guidelines Arising from the Banking (Amendment) Act 2020 and Other Changes published on 2 December 2020. Among other things, the MAS has prescribed a list of permissible non-financial businesses which banks may carry on if the business is related or complementary to any of the core financial business which is carried on by the bank, subject to conditions such as the requirement for the bank to put in place risk management and governance policies and procedures that are commensurate with the risks posed by such business, and obtain the approval of the board of directors (or an authorised person, in the case of a bank incorporated outside Singapore and its head office has carried on the business before) for such policies and procedures.

The revised anti-commingling policy measures and the amendments to regulations 23F and 23G of the Banking Regulations have been effected by way of the Banking (Amendment) Regulations 2021 which took effect on 1 July 2021.

### ***Major stake and investment restrictions***

A bank in Singapore, either directly or through any subsidiary of the bank or any other company in the bank group, can hold any beneficial interest in the share capital of a company (and such other investment, interest or right as may be prescribed by the MAS) ("**equity investment**"), whether involved in financial business or not, so long as such equity investment does not exceed in the aggregate 2% of the capital funds of the bank or such other percentage as the MAS may prescribe. Such a restriction on a bank's equity investment does not apply to any interest held by way of security for the purposes of a transaction entered in the ordinary course of the bank's business in Singapore or to any shareholding or interest acquired or held by a bank in the course of satisfaction of debts due to the bank, where such interest is disposed of at the earliest suitable opportunity. This restriction on a bank's equity investment will also not apply in respect of any equity investment in a single company acquired or held by a bank in Singapore for the purposes of carrying on businesses that have been prescribed as a related or complementary business under regulation 23G(1) of the Banking Regulations. In addition, any major stake approved by the MAS under Section 32 of the Banking Act and any equity investment in a single company acquired or held by a bank when acting as a stabilising bank in relation to an offer of securities issued by the company will not be subject to the restrictions on equity investment described above.

Under Section 32 of the Banking Act, a bank in Singapore cannot hold or acquire, directly or indirectly, a major stake in any entity without obtaining the prior approval of MAS. A “**major stake**” means: (i) any beneficial interest exceeding 10% of the total number of issued shares or such other measure corresponding to shares in a company as may be prescribed; (ii) control over more than 10% of the voting power or such other measure corresponding to voting power in a company as may be prescribed; or (iii) any interest in the entity, by reason of which the management of the entity is accustomed or under an obligation, whether formal or informal, to act in accordance with the bank’s directions, instructions or wishes, or where the bank is in a position to determine the policy of the entity. For the purposes of this Section 32 of the Banking Act, “**entity**” means any body corporate or unincorporated, whether incorporated, formed or established in or outside Singapore.

No bank incorporated in Singapore shall hold or acquire, directly or through a subsidiary of the bank or any other company in the bank group, interests in or rights over immovable property, wherever situated, the value of which exceeds in the aggregate 20% of the capital funds of the bank or such other percentage as the MAS may prescribe (Section 33 of the Banking Act). The Banking Regulations further provide that the property sector exposure of a bank in Singapore shall not exceed 35% of the total eligible assets of that bank. Under the Banking Act and the Banking Regulations, a bank can invest in properties subject to an aggregate of 20% of its capital funds, but it is not allowed to engage in property development or management. However, a bank incorporated in Singapore such as OCBC is permitted to carry on property management and property enhancement services in relation to investment properties that are owned by any entity in its bank group, foreclosed properties that have been acquired or are held by any entity in its bank group and buildings (the whole or any part which is) occupied and used by any entity in its bank group for the carrying on of that entity’s business. For this purpose, “**bank group**”, in relation to a bank incorporated in Singapore, refers to the group of entities comprising (a) the bank; (b) every subsidiary of the bank; (c) every branch of the bank; and (d) every other entity that is treated as part of the bank’s group of entities for accounting purposes according to the Accounting Standards (as defined in the Banking Regulations).

### **Corporate Governance Regulations and Guidelines**

The Guidelines on Corporate Governance for Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are Incorporated in Singapore (dated 3 April 2013) (the “**2013 Guidelines**”) comprises the Code of Corporate Governance 2012 (the “**Corporate Governance Code**”) for companies listed on the SGX-ST and supplementary principles and guidelines from the MAS. The 2013 Guidelines and the Banking (Corporate Governance) Regulations 2005 define what is meant by an independent director and set out the requirements for the composition of the board of directors and board committees, such as the Nominating Committee, Remuneration Committee, Audit Committee and Risk Management Committee. The 2013 Guidelines also set out, *inter alia*, the principle that there should be a clear division of responsibilities between the leadership of the board of directors of a bank and the executive responsibilities of a bank, as well as the principle that there should be a strong and independent element on the board of directors of a bank, which is able to exercise objective judgment on corporate affairs independently, in particular, from the management of the bank and 10% shareholders of the bank (as defined in the 2013 Guidelines). The 2013 Guidelines also encourage the separation of the roles of Chairman and CEO and outline how this is to be applied. The 2013 Guidelines further set out the principle that the board of directors of a bank should ensure that the bank’s related party transactions are undertaken on an arm’s length basis.

The Corporate Governance Code was revised on 6 August 2018. The revised Corporate Governance Code sets out, amongst other things, the principles that there should be (i) a clear division of responsibilities between the leadership of the board of directors and the executive responsibilities of a company’s business, and no one individual has unfettered powers of decision-making and (ii) an appropriate level of independence and diversity of thought and background in

the composition of the board of directors of the company, to enable it to make decisions in the best interests of the company. The revised Corporate Governance Code also requires the separation of the roles of Chairman and Chief Executive Officer.

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

On 9 November 2021, the MAS published the Guidelines on Corporate Governance for Designated Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are incorporated in Singapore (the “**2021 Guidelines**”), which supersedes and replaces the 2013 Guidelines. The revisions take into account international standards and industry good practices. The MAS has incorporated the Code of Corporate Governance 2018 into the 2021 Guidelines and shifted certain provisions in the 2013 Guidelines which it considers to be baseline expectations on corporate governance into the Banking (Corporate Governance) Regulations 2005 for mandatory compliance. The 2021 Guidelines also include additional guidelines added by the MAS to take into account the unique characteristics of the business of banking in light of the diverse and complex risks undertaken by financial institutions conducting banking business and the responsibilities to depositors. The guidelines that relate to disclosures took effect from 1 January 2022 and apply to the annual reports covering financial years commencing from that date, with the bulk of the other guidelines taking effect from 1 April 2022.

To further enhance the corporate governance of banks, the Banking Act:

- (a) requires a Singapore-incorporated bank to seek the MAS’ approval before it appoints certain key appointment holders (including directors and chief executive officers), and in doing so, the MAS has the power to prescribe the duties of the appointment holders and to specify the maximum term of each appointment;
- (b) empowers the MAS to remove key appointment holders of banks if they are found to be not fit and proper. The grounds for removal of such key appointment holders will be aligned with the criteria for approving their appointment. A Singapore-incorporated bank must also immediately inform the MAS if a key appointment holder is (in accordance with the Guidelines on Fit and Proper Criteria (last revised on 8 October 2018)) no longer a fit and proper person to hold the appointment;
- (c) provides a provision to protect banks’ external auditors who disclose, in good faith, information to the MAS in the course of their duties from any liability that may arise from such disclosure;
- (d) empowers the MAS to direct banks to remove their external auditors if they have not discharged their statutory duties satisfactorily and protect banks’ external auditors who disclose, in good faith, information to the MAS in the course of their duties from any liability that may arise from such disclosure; and
- (e) empowers the MAS to prohibit, restrict or direct a bank to terminate any transaction that the bank enters into with its related parties if it is deemed to be detrimental to depositors’ interests.

## **Other Requirements**

### ***Licensing***

The MAS issues licences under the Banking Act to banks to transact banking business in Singapore. Such licences may be revoked if the MAS is satisfied, among other things, that the bank holding that licence: (a) has ceased to transact banking business in Singapore; (b) has provided information or documents to the MAS in connection with its application for a bank licence which is or are false or misleading in a material particular; (c) if it is a bank incorporated outside Singapore, has had its bank licence or authority to operate withdrawn by the supervisory authority which is responsible, under the laws of the country or territory where the bank is incorporated, formed or established, for supervising the bank; (d) proposes to make, or has made, any composition or arrangement with its creditors or has gone into liquidation or has been wound up or otherwise dissolved; (e) is carrying on its business in a manner likely to be detrimental to the interests of the depositors of the bank or has insufficient assets to cover its liabilities to its depositors or the public; (f) is contravening or has contravened any provision of the Banking Act; (g) has been convicted of any offence under the Banking Act or any of its directors or officers holding a managerial or executive position has been convicted of any offence under the Banking Act; (h) is contravening or has contravened any provision of the Deposit Insurance and Policy Owners' Protection Schemes Act 2011 of Singapore (the "**Deposit Insurance and Policy Owners' Protection Schemes Act**") or any Rules issued by the deposit insurance and policy owners' protection fund agency under the Deposit Insurance and Policy Owners' Protection Schemes Act; (i) is contravening or has contravened any provision of the Monetary Authority of Singapore 1970 Act of Singapore (the "**MAS Act**"), or any direction issued by the MAS under the MAS Act; or (j) is contravening or has contravened any provision of the FSM Act, or any direction issued by the MAS under the FSM Act.

The MAS may also revoke an existing licence if, upon the MAS exercising any power under Section 49(2) of the Banking Act or the Minister exercising any power under Division 2, 4, 5 or 6 of Part 8 of the FSM Act in relation to the bank, the MAS considers that it is in the public interest to revoke the license.

### ***Priority of liabilities in winding up***

Section 61(1) of the Banking Act provides that, where a bank becomes unable to meet its obligations or becomes insolvent or suspends payment, the assets of that bank in Singapore are available to meet all liabilities in Singapore of the bank specified in Section 62(1) of the Banking Act (the "**Specified Liabilities**"). The Specified Liabilities have priority over all unsecured liabilities of the bank, other than the preferential debts specified in Section 203(1) of the Insolvency, Restructuring and Dissolution Act 2018 of Singapore (the "**IRDA**").

Under Section 62(1) of the Banking Act, the Specified Liabilities are (and in the event of a winding up of a bank will, among themselves, rank in the following order of priority notwithstanding the provisions of any written law or any rule of law relating to the winding up of companies): (i) firstly, any premium contributions due and payable by the bank under the Deposit Insurance and Policy Owners' Protection Schemes Act; (ii) secondly, liabilities incurred by the bank in respect of insured deposits, up to the amount of compensation paid or payable out of the Deposit Insurance Fund by the Singapore Deposit Insurance Corporation Limited ("**SDIC**") under the Deposit Insurance and Policy Owners' Protection Schemes Act in respect of such insured deposits; (iii) thirdly, deposit liabilities incurred by the bank with non-bank customers, other than those specified in paragraph (ii) above which are incurred (a) in Singapore dollars; or (b) on terms under which the deposit liabilities may be discharged by the bank in Singapore dollars; (iv) fourthly, deposit liabilities incurred by the bank with non-bank customers other than liabilities referred to in paragraphs (ii) and (iii); and (v) fifthly, any sum claimed by the trustee of a resolution fund (within the meaning of Section 107 of the FSM Act) from the bank under Section 112, 113, 114 or 115 of the FSM Act. As between Specified

Liabilities of the same class referred to in each of paragraphs (i) to (v) above, such liabilities shall rank equally between themselves and are to be paid in full unless the assets of the bank are insufficient to meet them in which case they are to abate in equal proportions between themselves.

### ***Deposit Insurance Scheme***

SDIC administers the Deposit Insurance Scheme (“**DI Scheme**”) in accordance with the Deposit Insurance and Policy Owners’ Protection Schemes Act for the purposes of providing limited compensation to insured depositors under certain circumstances. All licensed full banks in Singapore are DI Scheme members unless exempted by the MAS. The Deposit Insurance and Policy Owners’ Protection Schemes Act was amended pursuant to the Deposit Insurance and Policy Owners’ Protection Schemes (Amendment) Act 2018 with effect from 1 April 2019. Following the amendments, the deposit insurance coverage limit was raised from S\$50,000 to S\$75,000.

The MAS has on 27 June 2023 published a Consultation Paper on Proposed Enhancements to the Deposit Insurance Scheme in Singapore proposing to raise the deposit insurance coverage limit to S\$100,000 per depositor with effect from 1 April 2024 so as to restore the percentage of fully-covered insured depositors to 91%. On 22 September 2023, the MAS published the first part of its response paper “Response to Feedback Received on Proposed Enhancements to the Deposit Insurance Scheme in Singapore (Part 1)” stating that it will proceed with the proposal to increase the maximum deposit insurance coverage to S\$100,000 with effect from 1 April 2024. The MAS has also stated that while it notes the feedback on broadening the deposit insurance coverage scope to include foreign currency deposits, it has decided to continue excluding foreign currency deposits in view that the DI Scheme is intended to protect the core savings of small depositors, which are primarily denominated in Singapore Dollars. Pursuant to the Deposit Insurance and Policy Owners’ Protection Schemes Act 2011 (Amendment of First Schedule Order) 2023, the deposit insurance coverage limit was raised from S\$75,000 to S\$100,000 with effect from 1 April 2024.

DI Scheme members are required to submit returns relating to their deposit insurance asset maintenance ratio and insured deposit base in line with the requirements set out in MAS Notice DIA-N01 (as last revised on 28 December 2023).

### ***Notification of material adverse development***

Section 48AA of the Banking Act (with effect from 30 November 2018) requires banks to inform the MAS of any development that materially affects the bank adversely, and in the case of Singapore-incorporated banks, any development that materially affects the bank or its related entities adversely.

### ***Removal of Domestic Banking Unit and Asian Currency Unit***

Banks in Singapore previously had to maintain separate accounting units for their domestic banking unit (“**DBU**”) and their Asian currency unit (“**ACU**”). On 4 November 2019, the Banking (Amendment) Bill (B35/2019) was introduced in Parliament to (among other things) remove the DBU-ACU divide, and make consequential amendments to regulatory requirements following the removal of the DBU-ACU divide.

The MAS has previously noted that the removal of the DBU-ACU divide would require significant amendments to changes in banks’ regulatory reporting systems. In this regard, the MAS issued an updated MAS Notice 610 on Submission of Statistics and Returns (“**MAS Notice 610**”) on 17 May 2018 that was intended to take effect from 1 October 2020 providing a 30-month implementation timeline. However, the MAS Notice 610 dated 17 May 2018 was cancelled and superseded by a new MAS Notice 610 issued on 16 July 2019, which took effect from 1 July 2021. MAS Notice 610 was last revised with effect from 31 January 2022.

### **Privacy of customer information**

Unless otherwise expressly provided in the Banking Act, a bank in Singapore and its officers may not disclose customer information to any other person without the written consent of the customer. On 29 June 2021, the MAS published MAS Notice 657 Privacy of Customer Information – Conditions for Disclosure of Customer Information by Auditors (“**MAS Notice 657**”) which applies to all banks and their external auditors. MAS Notice 657 sets out the conditions which an auditor must comply with before disclosing any customer information to an employee of the Accounting and Corporate Regulatory Authority referred to in the Third Schedule of the Banking Act. MAS Notice 657 took effect from 1 July 2021.

### **Resolution Powers**

Under the FSM Act and the Banking Act, the MAS has resolution powers in respect of Singapore licensed banks. Broadly speaking, the MAS has powers to (amongst other things) assume control of a bank, impose moratoriums, temporarily stay termination rights of counterparties, order compulsory transfers of business or shares and impose requirements relating to recovery and resolution planning. The powers contained in the FSM Act were previously contained in the MAS Act but have since been migrated to the FSM Act with effect from 10 May 2024.

Under Division 6 of Part 8 of the FSM Act, the MAS has statutory bail-in powers to write down or convert a financial institution’s debt into equity. The entities subject to the statutory bail-in powers of the MAS are presently limited to Singapore-incorporated banks and Singapore-incorporated bank holding companies (each a “**Division 6 FI**”). The classes of instruments subject to the statutory bail-in powers of the MAS are provided under regulation 28 of the Financial Services and Markets (Resolution of Financial Institutions) Regulations 2024 (the “**RFI Regulations**”) and include:

- (a) any equity instrument or other instrument that confers or represents a legal or beneficial ownership in the Division 6 FI except an ordinary share;
- (b) any unsecured liability or other unsecured debt instrument that is subordinated to unsecured creditors’ claims of the Division 6 FI that are not so subordinated; and
- (c) any instrument that provides for a right for the instrument to be written down, cancelled, modified, changed in form or converted into shares or another instrument of ownership, when a specified event occurs,

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

In the event of bail-in, all shareholders’ voting rights on matters which require shareholders’ approval will be suspended until the Minister has published a notice in the Gazette that the moratorium ceases to apply. In respect of any person who becomes a significant shareholder (i.e. if they have reached the relevant shareholding thresholds) as a result of the bail-in, the Minister may serve a written notice on that person if:

- (a) the MAS is not satisfied that:
  - (i) the person is, in accordance with the Guidelines on Fit and Proper Criteria, a fit and proper person to be a significant shareholder; and
  - (ii) having regard to the likely influence of the person on it, the Division 6 FI or an entity established or incorporated to do one or both of the following: (A) temporarily hold and manage the assets and liabilities of the Division 6 FI; and/or (B) do any act for the orderly resolution of the Division 6 FI (“**resulting financial**

**institution**") will or will continue to conduct its business prudently and comply with the provisions of the FSM Act and the relevant Act applicable to it; or

- (b) the Minister is not satisfied that:
  - (i) in a case where the Division 6 FI or resulting financial institution is a bank incorporated in Singapore, it is in the national interest for the person to remain a significant shareholder of the Division 6 FI or resulting financial institution, as the case may be; or
  - (ii) in any other case, it is in the public interest for the person to remain a significant shareholder of the Division 6 FI or resulting financial institution, as the case may be.

Where the Minister has served such a notice, then, until the person has disposed of or transferred the shares specified in the notice and in accordance with the notice:

- (i) no voting rights are exercisable in respect of the specified shares except with the permission of the Minister, whether or not a notice under Section 86(2) is published that the provision has ceased to apply;
- (ii) no shares of the Division 6 FI or resulting financial institution (as the case may be) may be issued or offered (whether by way of rights, bonus or otherwise) in respect of the specified shares except with the permission of the Minister; and
- (iii) except in a liquidation of the Division 6 FI or resulting financial institution (as the case may be), the Division 6 FI or resulting financial institution may not make any payment (whether by way of dividends or otherwise) in respect of the specified shares except with the permission of the Minister.

This will ensure that only fit and proper persons can exercise voting rights attached to significant stakes in the financial institution. When exercising its bail-in powers, the MAS must have regard to the desirability of giving each pre-resolution creditor or pre-resolution shareholder of the Division 6 FI the priority and treatment the pre-resolution creditor or pre-resolution shareholder would have enjoyed had the Division 6 FI been wound up.

In addition, a Division 6 FI is also required to insert contractual bail-in clauses into instruments which fall within the scope of the MAS' statutory bail-in powers but which are governed by foreign laws, to the effect that the parties to the contract agree that the instrument may be the subject of the MAS' bail-in powers.

Under regulation 33 of the RFI Regulations, a "qualifying pertinent financial institution" ("**QPFI**") and its subsidiaries will be required to include enforceable provisions in financial contracts governed by foreign law which contain termination rights to ensure that the exercise of the termination rights for such contracts will be subject to MAS' temporary stay powers under Sections 92 and 93 of the FSM Act (which prevent parties from exercising termination rights that arise out of the MAS' exercise of resolution powers and in the case of Section 93, during the period of the temporary stay). A QPFI is defined as a bank that is incorporated in Singapore and to which a direction has been issued under Section 52(1) of the FSM Act. A three-year transitional period has been provided from 1 November 2021 for QPFIs to implement the contractual recognition requirement. The contractual recognition requirement will come into effect on 1 November 2024.

There are safeguards in connection with MAS' powers relating to compulsory transfer, reverse transfer and onward transfer of business during resolution.

The MAS has the power to subject a bank to recovery and resolution planning requirements by issuing a direction under Section 51 of the FSM Act to the bank (a "**notified bank**"). A notified bank

must comply with the recovery and resolution planning requirements under MAS Notice 654 on Recovery and Resolution Planning, including the requirement to prepare, review and keep up-to-date a recovery plan that sets out a framework of recovery triggers (i.e. points at which appropriate recovery options may be taken) and an escalation process upon the occurrence of a trigger event, among other things. The MAS has also published the Guidelines to MAS Notice 654 on Recovery and Resolution Planning which provides guidance to notified banks on the recovery and resolution planning requirements set out in MAS Notice 654. Both MAS Notice 654 and the Guidelines to MAS Notice 654 were previously issued under the MAS Act but have since been migrated and issued under the FSM Act with effect from 10 May 2024.

On 22 March 2023, the MAS issued a statement on Additional Tier 1 instruments issued by Singapore-incorporated banks. The MAS announced that in exercising its powers to resolve a financial institution (which includes Singapore-incorporated banks), it intends to abide by the hierarchy of claims in liquidation, meaning that equity holders will absorb losses before holders of Additional Tier 1 and Tier 2 capital instruments. Further, creditors who receive less in a resolution compared to what they would have received had the financial institution been liquidated would be able to claim the difference from a resolution fund that would be funded by the financial industry. The creditor compensation framework will also apply in the exceptional situation where MAS departs from the creditor hierarchy in order to contain the potential systemic impact of the financial institution's failure or to maximise the value of the financial institution for the benefit of all creditors as a whole.

### **Examinations and Reporting Arrangements for Banks**

The MAS conducts on-site examinations of banks. Banks are also subject to annual audit by an external auditor approved by the MAS, who, aside from the annual balance sheet and profit and loss account must report to the MAS immediately if in the course of the performance of his duties as an auditor of the bank, he is satisfied that: (a) there has been a serious breach or nonobservance of the provisions of the Banking Act or that otherwise a criminal offence involving fraud or dishonesty has been committed; (b) in the case of a bank incorporated in Singapore, losses have been incurred which reduce the capital funds of the bank by 50%; (c) serious irregularities have occurred, including irregularities that jeopardise the security of the creditors; (d) he is unable to confirm that the claims of creditors are still covered by the assets; or (e) any development has occurred or is likely to occur which has materially and adversely affected, or is likely to materially and adversely affect, the financial soundness of the bank.

In the Banking Act Consultation Paper published on 7 February 2019, as a consequence of the impending removal of the DBU-ACU divide, the MAS had proposed to introduce a new reporting benchmark wherein the auditor must report to the MAS immediately if he becomes aware of any development that has occurred or is likely to occur which he has reasonable grounds to believe has materially affected adversely, or is likely to materially affect adversely, the financial soundness of the bank. With the new reporting benchmark, limb (b) above would no longer apply to all banks, but only to banks incorporated in Singapore.

The MAS has discontinued the mandatory audit firm rotation policy for local banks. On 17 July 2018, the MAS cancelled MAS Notice 615 on Appointment of Auditors ("**MAS Notice 615**") dated 27 March 2002 and issued a new MAS Notice 615 (which took effect on 18 July 2018) pursuant to which banks incorporated and headquartered in Singapore will have to conduct a public tender for the reappointment of an auditor who has been appointed for a period of ten or more consecutive financial years following the last conduct of a public tender. The implementation timeline will be the financial year ending 31 December 2020 for banks with incumbent auditors for more than ten consecutive years; and the financial year ending 31 December 2022 or ten years after the commencement of the audit

engagement, whichever is later, for banks with incumbent auditors for up to ten consecutive years as of 31 December 2017.

Under Section 58 of the Banking Act, the MAS is empowered to direct banks to remove their external auditors if the MAS is not satisfied with the performance of any duty by the auditors of those banks.

All banks in Singapore are required to submit periodic statistical returns, financial reports and auditors' reports to the MAS, including returns covering minimum cash balances and liquidity returns, statements of assets and liabilities and total foreign exchange business transacted.

The MAS may also require ad hoc reports to be submitted.

### ***Inspection and Investigative Powers***

The MAS' inspection and investigative powers are set out under Section 43 to Section 44A of the Banking Act which allow the MAS to, under conditions of secrecy: (a) inspect the books of each bank in Singapore and of any branch, agency or office outside Singapore opened by a bank incorporated in Singapore; (b) inspect the books of each subsidiary incorporated in Singapore of a bank incorporated in Singapore, where the subsidiary is not regulated or licensed by the MAS under any other Act; and (c) investigate the books of any bank in Singapore if the MAS has reason to believe that the bank is carrying on its business in a manner likely to be detrimental to the interests of its depositors and other creditors, has insufficient assets to cover its liabilities to the public or is contravening the provisions of the Banking Act.

On 2 July 2021, the MAS published the Consultation Paper on Proposed Amendments to MAS' Investigative and Other Powers under the Various Acts proposing amendments under the Financial Institutions (Miscellaneous Amendments) Bill to various pieces of legislation including the Banking Act. The proposals aim to enhance the MAS' evidence-gathering powers and to facilitate greater inter-agency coordination. Amongst the proposed amendments to the Banking Act include according the MAS the power to require any person to provide information for the purposes of investigation, requiring any person to appear for examination, allowing the MAS to enter premises without warrant and be able to transfer evidence between the MAS and other agencies.

These proposals have been consolidated into the new FSM Act, an omnibus statute for the sector-wide regulation of financial services and markets, which is being implemented in phases. The first phase of the FSM Act which commenced on 28 April 2023 relates to the porting over of the provisions from the MAS Act relating to: (a) general powers over financial institutions, including inspection powers, offences and other miscellaneous provisions; (b) the anti-money laundering and countering the financing of terrorism framework for financial institutions; and (c) the Financial Dispute Resolution Schemes framework, into the FSM Act. The second phase of the FSM Act which commenced on 10 May 2024 introduced new provisions on technology and risk management and migrated provisions relating to the control and resolution of financial institutions and certain miscellaneous provisions from the MAS Act to the FSM Act. When the remaining phases of the FSM Act come into effect (which is targeted for the second half of 2024), it will, amongst others, introduce a harmonised and expanded power for the MAS to issue prohibition orders against persons who are not fit and proper from engaging in financial activities regulated by the MAS or performing any key roles of functions in the financial industry that are prescribed, in order to protect a financial institution's customers, investors or the financial sector. This broadens the categories of persons who may be subject to prohibition orders and widens the scope of prohibition to cover functions critical to the integrity and functions of financial institutions. The MAS has stated that it will continue to exercise its prohibition order powers judiciously taking into account the nature and severity of each misconduct, and its

actual and potential impact on trust in the financial sector. These expanded powers apply to persons working in banks.

### ***Directors and Executive Officers of Banks***

A bank incorporated in Singapore must not permit a person who is subject to certain circumstances set out in Section 54(1) of the Banking Act (for example where the person is an undischarged bankrupt, whether in Singapore or elsewhere) to act as its executive officer or director without the prior written consent of the MAS. The MAS may also direct the removal of a director of a bank in Singapore which is incorporated in Singapore or executive officer of a bank in Singapore if the MAS is satisfied that the director or executive officer (as the case may be) is not a fit and proper person under Section 54(2) of the Banking Act – this has been aligned with the criteria for approving their appointment. Banks are required under Section 53A of the Banking Act to notify the MAS of any development that could affect the fitness and propriety of their key appointment holders.

### ***Financial Benchmarks***

The SFA Amendment Act was gazetted on 16 February 2017, and came into force on 8 October 2018. Among other things, the SFA Amendment Act introduced a legislative framework for the regulation of financial benchmarks through a new Part 6AA in the SFA. The SFA Amendment Act (a) introduces specific criminal and civil sanctions under the SFA for manipulation of any financial benchmark (including SIBOR, SOR and Foreign Exchange spot benchmarks), and (b) subjects the setting of key financial benchmarks (which are designated as “designated benchmarks” by the MAS) to regulatory oversight. Benchmark administrators and benchmark submitters of designated benchmarks are subject to regulatory requirements under the SFA.

The Securities and Futures (Financial Benchmark) Regulations 2018 were issued on 8 October 2018, and set out the admission, ongoing conduct and other requirements which apply to benchmark administrators and benchmark submitters of designated benchmarks. Pursuant to the Securities and Futures (Designated Benchmarks) Order 2018, the MAS designated the SIBOR and SOR as designated benchmarks with effect from 8 October 2018.

On 30 August 2019, the MAS announced the establishment of the SC-STS to oversee an industry-wide benchmark transition from SOR to SORA. Following which, the ABS and the Singapore Foreign Exchange Market Committee (“**SFEMC**”) issued a proposed transition roadmap and approach to achieve a smooth transition from SOR to SORA as the new interest rate benchmark for the SGD cash and derivatives markets. The SC-STS finalised in December 2020 that SIBOR would be discontinued after 31 December 2024, which is 18 months after the discontinuation of SOR which took place on 30 June 2023.

On 18 July 2022, the SC-STS released a paper setting out the finalised approach for: (a) setting the adjustment spreads within the MAS Recommended Rate in ISDA IBOR 2020 Fallbacks Protocol, Supplement number 70 to the 2006 ISDA Definitions and the 2021 ISDA Interest Rate Derivatives Definitions as well as the SC-STS’ recommended contractual fallbacks for bilateral and syndicated corporate loans. These fallbacks will apply when Fallback Rate (SOR) is discontinued after 31 December 2024; (b) supplementary guidance on adjustments spreads for the period until 31 December 2024; and (c) application of the SC-STS supplementary guidance to active transition across various product types.

On 14 December 2022, the SC-STS published an implementation paper setting out technical details for the implementation of SC-STS’ supplementary guidance on adjustment spreads for the

conversion of SOR contracts to SORA. SC-STS’ supplementary guidance applies to the active transition of unhedged SOR loans and is to be used up till end-2024. The implementation paper only covers the

setting of adjustment spreads for the conversion of wholesale SOR contracts to Compounded-in-arrears SORA, and does not apply to the setting of adjustment spreads for the conversion of legacy SOR retail loans to Compounded-in-advance SORA.

On 30 June 2023, the SC-STS published a paper setting out its finalised approach for the setting of adjustment spreads for the conversion of legacy SIBOR loans to SORA in respect of both corporate loans and retail loans. For corporate loans, the SC-STS recommended the adjustment spreads to be based on the 5-year historical median spreads between SIBOR and compounded SORA. For retail loans, the SC-STS recommended the transition to take place in two phases. For both corporate loans and retail loans, the transition is expected to be completed by 30 June 2024, with SORA becoming the main interest rate benchmark used in Singapore dollar financial products thereafter.

### ***Outsourcing***

Under Section 47A of the Banking Act, a bank in Singapore which obtains or receives any relevant service on or after 1 July 2021 from (a) a branch or office of the bank (including its head office) that is located outside Singapore; or (b) any person, is required to take certain steps specified by the MAS by written notice to the bank to evaluate the ability of the branch or office or the person from whom the relevant service is being obtained from to perform certain functions. These functions include whether the branch or office or the person from whom the relevant service is being obtained from is able (i) to provide the relevant service; (ii) to ensure continuity of the relevant service; (iii) to safeguard the confidentiality, integrity and availability of information related to the provision of the relevant service that is in the custody of the branch or office or the person from whom the relevant service is being obtained from; (iv) to comply with written laws related to the provision of the relevant service; and (v) to manage the legal, reputational, technology and operational risks to the branch or office or person from whom the relevant service is being obtained from related to the provision of the relevant service. In addition, when the bank in Singapore receives a relevant service from its branch or office, it will be required to implement policies and procedures by which the branch or office is to provide the relevant service that satisfy the requirement specified by the MAS by written notice to the bank. For relevant services obtained from a person, the bank in Singapore will be required to enter into a contract with the person which satisfies the requirements specified by the MAS by written notice to the bank.

A “relevant service” is defined under Section 47A(12) of the Banking Act as any service obtained or received by the bank, other than a service provided in the course of employment by an employee of the bank or a service provided by a director or an officer of the bank in the course of the director’s or officer’s appointment, and does not include any service specified by the MAS by written notice.

On 11 December 2023, the MAS published MAS Notice 658 on Management of Outsourced Relevant Services for Banks (“**MAS Notice 658**”) which sets out requirements that a bank in Singapore will have to comply with for the purposes of managing the risks associated with the bank’s outsourced relevant services. A bank in Singapore will be required to maintain a register which list all ongoing outsourced relevant services obtained or received from a service provider, and outsourced relevant services obtained or received from a service provider, which involves the disclosure of customer information. Further, a bank in Singapore will be required to exercise greater supervision and control over material ongoing outsourced relevant services. With the exception of paragraphs 7.1 and 12.8, the requirements in MAS Notice 658 will take effect on 11 December 2024.

In addition, the MAS has also on 11 December 2023 published the Guidelines on Outsourcing (Banks) which set out the MAS’ expectations of a bank or merchant bank that has entered into or is planning to enter into, an arrangement for ongoing outsourced relevant services, with the

exception of, amongst others, certain exempted Outsourced Relevant Services set out in Annex D of MAS Notice 658. Banks are expected to conduct a self-assessment of all outsourcing arrangements against these guidelines. The MAS expects banks to ensure that outsourced services (whether provided by a service provider or its sub-contractor) continue to be managed as if the services were still managed by the bank. Where the MAS is not satisfied with the bank's observance of the expectations in the guidelines, MAS may require the bank to take additional measures to address the deficiencies noted, which could include pre-notification of new material ongoing outsourced relevant services.

### ***Anti-Money Laundering and Countering the Financing of Terrorism ("AML/CFT") Requirements***

A bank in Singapore is subject to AML/CFT requirements which are both of general application and applies to all persons in Singapore as well as those of sectoral application and which apply only to financial institutions in Singapore. The AML/CFT requirements which are of general application are set out in the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992 of Singapore ("**CDSA**") and the Terrorism (Suppression of Financing) Act 2002 of Singapore ("**TSOFA**") and applies to all persons in Singapore, including a bank in Singapore.

Separately, as a financial institution regulated by the MAS, a bank in Singapore is subject to AML/CFT requirements issued by the MAS which are of sectoral application. A bank in Singapore is required to implement robust controls to detect and deter the flow of illicit funds through Singapore's financial system. The MAS has issued MAS Notice 626 (as last revised on 28 March 2024) on Prevention of Money Laundering and Countering the Financing of Terrorism – Banks which sets out the AML/CFT requirements which a bank in Singapore is required to put in place. This includes performing customer due diligence on all customers, conducting regular account reviews, performing record keeping and reporting any suspicious transactions to the Suspicious Transaction Reporting Office, Commercial Affairs Department of the Singapore Police Force.

In addition, the MAS gives effect to targeted financial sanctions under the UN Security Council Resolutions ("**UNSCR**") through regulations issued under the FSM Act (the "**FSM Regulations**") which apply to all financial institutions in Singapore. Broadly, the FSM Regulations require financial institutions to (a) immediately freeze funds, other financial assets or economic resources of designated individuals and entities; (b) not enter into financial transactions or provide financial assistance or services in relation to: (i) designated individuals, entities or items; or (ii) proliferation, nuclear or other sanctioned activities; and (iii) inform MAS of any fact or information relating to the funds, other financial assets or economic resources owned or controlled, directly or indirectly, by a designated individual or entity.

In response to Russia's invasion of Ukraine, the Singapore Government has imposed financial measures targeted at designated Russian banks, entities and activities in Russia, and fund-raising activities benefiting the Russian government. These measures apply to all financial institutions in Singapore including a bank in Singapore. These financial measures are set out in MAS Notice SNR-N01 on Financial Measures in Relation to Russia and MAS Notice SNR-N02 on Financial Measures in Relation to Russia – Non-prohibited Payments and Transactions which were both published and took effect on 14 March 2022.

Following the commencement of Part 4A of the FSM Act on 1 April 2024, OCBC has been prescribed under the Financial Services and Markets (Information Sharing Scheme for Prescribed Financial Institutions) Regulations 2024 as a "bank in Singapore" to which Part 4A of the FSM Act applies. Part 4A of the FSM Act sets out the legal framework for prescribed financial institutions to share information on customers through a secure digital platform called COSMIC (short for "**Collaborative Sharing of ML/TF Information & Cases**") for the purposes of mitigating money laundering,

terrorism financing, and proliferation financing. OCBC is amongst one of the six commercial banks in Singapore who are participating in COSMIC which is intended to allow prescribed financial institutions share information on customers who exhibit multiple “red flags” that may indicate potential financial crime concerns if stipulated thresholds are met. COSMIC currently focuses on three key financial crime risks in commercial banking: (a) misuse of legal persons; (b) misuse of trade finance for illicit purposes; and (c) proliferation financing. As a prescribed financial institution, OCBC is subject to the requirements under MAS Notice FSM-N02 on Prevention of Money Laundering and Countering the Financing of Terrorism – Financial Institutions’ Information Sharing Platform and is required to establish and implement robust internal controls to facilitate the sharing of risk information on COSMIC, protect the confidentiality of information being shared and the interests of legitimate customers.

### ***Security of Digital Banking***

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

On 2 June 2022, the MAS and ABS announced additional measures to further safeguard bank customers from digital banking scams. These additional measures include, amongst others, requiring additional customer confirmations to process significant changes to customer accounts and other high-risk transaction identified through fraud surveillance; providing an emergency self-service “kill switch” for customers to suspend their accounts quickly if they suspect their bank accounts have been compromised and facilitating rapid account freezing and fund recovery operations by co-locating bank staff at the Singapore Police Force Anti-Scam Centre. The additional measures have been progressively implemented by banks in Singapore and took full effect on 31 October 2022.

On 4 February 2022, the MAS announced that they will be developing a framework for equitable share of losses arising from scams. On 25 October 2023, the MAS and the Infocomm Media Development Authority published a joint consultation paper on Proposed Shared Responsibility Framework setting out a proposed Shared Responsibility Framework for sharing responsibility for scam losses amongst financial institutions, telecommunication operators and consumers for unauthorised transactions arising from phishing scams. The proposal provides that financial institutions and telecommunication operators will provide payouts to scam victims for a defined set of phishing scams, if specified anti-scam duties are breached. The assessment of how responsibility will be shared for the losses arising from an unauthorised transaction in a covered phishing scam will be based on a “waterfall” approach which recognises the primary accountability that financial institutions owe to consumers as custodians of their money. The Shared Responsibility Framework is intended to be operationalised in 2024.

### ***Technology Risk Management and Cyber Hygiene***

Under section 29 of the FSM Act (which came into force on 10 May 2024), MAS may, from time to time, issue such directions or make such regulations, concerning any financial institution or class of financial institutions as it considers necessary for: (a) the management of technology risks, including cyber security risks; (b) the safe and sound use of technology to deliver financial services; and (c) the safe and sound use of technology to protect data.

Banks in Singapore are subject to technology risk management requirements which include requirements for the bank in Singapore to have in place a framework and process to identify critical systems, to make all reasonable effort to maintain high availability for critical systems, to establish a recovery time objective of not more than four hours for each critical system, to notify the MAS of a system malfunction or IT security incident, which has a severe and widespread impact on the bank's operations or materially impacts the bank's service to its customers, to submit a root cause and impact analysis report to the MAS and to implement IT controls to protect customer information from unauthorised access or disclosure. These requirements were previously set out in MAS Notice 644 issued under the Banking Act but has since been migrated with effect from 10 May 2024 under MAS Notice FSM-N05 on Technology Risk Management issued under the FSM Act.

In addition, banks in Singapore are subject to cyber hygiene requirements. These requirements were previously set out in MAS Notice 655 issued under the Banking Act, but which have since been migrated with effect from 10 May 2024 to MAS Notice FSM-N06 on Cyber Hygiene issued under the FSM Act. MAS Notice FSM-N06 sets out cyber security requirements on securing administrative accounts, applying security patching, establishing baseline security standards, deploying network security devices, implementing anti-malware measures and strengthening user authentication.

Banks in Singapore are also subject to the MAS Technology Risk Management Guidelines ("**TRM Guidelines**") which sets out risk management principles and best practice standards to guide financial institutions (including banks in Singapore) in respect of (a) establishing a sound and robust technology risk management framework and (b) maintaining cyber resilience. The TRM Guidelines were revised in January 2021 to include new guidance on effective cyber surveillance, secure software development, adversarial attack simulation exercise, and management of cyber risks posed by emerging technologies. It also provides additional guidance on the roles and responsibilities of the board of directors and senior management, including the requirement that the board of directors and senior management to have members with the knowledge to understand and manage technology risks, which include risks posed by cyber threats.

### ***Environment Risk Management***

On 8 December 2020, the MAS issued the Guidelines on Environmental Risk Management for Banks ("**ERM Guidelines**") which applies on a group basis for locally-incorporated banks. The ERM Guidelines set out MAS' expectations on environmental risk management for all banks and covers governance and strategy, risk management, underwriting, investment and disclosure of environmental risk information. The Board and senior management of the bank is expected to maintain effective oversight of the bank's environmental risk management and disclosure, including the policies and processes to assess, monitor and report such risk, and oversee the integration of the bank's environmental risk exposures into the bank's enterprise risk management framework. Banks were given up to June 2022 to implement its expectations set out in the ERM Guidelines and demonstrate evidence of its implementation progress.

On 18 October 2023, the MAS published a consultation paper "Consultation Paper on Guidelines on Transition Planning (Banks)" setting out MAS' proposed Guidelines on Transition Planning to supplement the ERM Guidelines and provide additional granularity in relation to banks' transition planning processes. Transition planning for banks refers to the internal strategic planning and risk management processes undertaken to prepare for both risks and potential changes in business models associated with the transition. The proposed Guidelines on Transition Planning (Banks) (the "**TPG**") sets out the MAS expectation for banks to have a sound transition planning process to enable effective climate change mitigation and adaptation measures by their customers in the global transition to a net zero economy and the expected physical effects of climate change. It is proposed that the TPG will be applicable to banks extending credit to corporate customers,

underwriting capital market transactions, and other activities that expose banks to material environmental risk, and will apply on a group basis for locally-incorporated banks.

### ***Supervision by Other Agencies***

Our overseas operations are also supervised by the regulatory agencies in their respective jurisdictions.

Apart from being supervised by the MAS, our stockbroking and futures trading arms are also supervised by the Singapore Exchange Limited.

### **Singapore Insurance Industry**

The MAS regulates and supervises licensed insurers in Singapore. The insurance regulatory framework in Singapore consists mainly of the Insurance Act 1966 of Singapore (the “**Insurance Act**”) and its related regulations, as well as the relevant notices, guidelines, circulars and practice notes issued by the MAS. This section sets out certain key regulations applicable to licensed insurers in the conduct of their insurance business, and does not address the regulatory framework applicable to insurance intermediaries (whether or not agents or employees of licensed insurers) whether in respect of life or non-life policies.

The holding company of a Singapore licensed insurer could also be subject to regulation if the holding company is designated as a designated financial holding company (“**DFHC**”) under Section 4 of the Financial Holding Companies Act 2013 of Singapore (the “**FHC Act**”). The FHC Act, which took effect from 30 June 2022, was introduced to establish the regulatory framework for designated Singapore-incorporated financial holding companies with one or more Singapore-incorporated bank or insurance subsidiaries. The salient provisions in the FHC Act relate to:

- (a) a requirement to provide the MAS with information requested by the MAS for supervision purposes;
- (b) restrictions on the use of the name, logo and trademark of a DFHC;
- (c) restrictions on the activities of a DFHC;
- (d) restrictions on the shareholding and control of a DFHC;
- (e) limits on exposures and investments;
- (f) minimum asset requirements;
- (g) minimum capital and capital adequacy requirements;
- (h) leverage ratio requirements;
- (i) supervision and reporting requirements; and
- (j) approval requirements for the appointment of directors and chief executives.

The FHC Act provides for transition periods for DFHCs to comply with various provisions in the specific provisions and a general power for the Minister to prescribe by regulations, for a period of two years from the commencement of operation of any provision, transitional provisions consequent on the enactment of that provision.

Great Eastern Holdings has been designated as a DFHC under Section 4 of the FHC Act, specifically a Tier 1 DFHC (Licensed Insurer) under the Financial Holding Companies (Corporate Governance of Designated Financial Holding Companies with Licensed Insurer Subsidiary) Regulations 2022, and is therefore subject to the requirements thereunder relating to DFHCs.

Great Eastern Holdings' subsidiary, Great Eastern Life is incorporated with limited liability in Singapore and is a direct insurer licensed to carry on life insurance business under the Insurance Act. Great Eastern Holdings' subsidiary GEG is incorporated with limited liability in Singapore and is a licensed direct insurer under the Insurance Act and holds a composite licence to carry on both life insurance business and general insurance business. GEG currently only sells general insurance.

Great Eastern Life is included by the Central Provident Fund ("CPF") Board as an insurer under the CPF Investment Scheme, where CPF monies may, subject to certain conditions, be used by CPF members to purchase investment-linked insurance policies issued by Great Eastern Life if such policies are also included under the CPF Investment Scheme.

### ***Exempt Financial Adviser Status of Great Eastern Life***

As a company licensed under the Insurance Act, Great Eastern Life is an exempt financial adviser under the FAA in relation to (a) advising others (other than advising on corporate finance within the meaning of the SFA) either directly or through publications or writings, and whether in electronic, print or other form, concerning life policies, (b) advising others by issuing or promulgating research analyses or research reports, whether in electronic, print or other form, concerning life policies and (c) arranging of any contract of insurance in respect of life policies. As an exempt financial adviser, Great Eastern Life is subject to certain conduct of business and other requirements applicable under the FAA and its related regulations, notices, guidelines, practice notes, circulars and information papers.

### ***Supervisory Powers of the Monetary Authority of Singapore***

Under the Insurance Act, the MAS has, among other things, the power to impose conditions on a licensed insurer and may add to, vary or revoke any existing conditions of the licence. In addition, the MAS may issue such directions as it may consider necessary for carrying into effect the objects of the Insurance Act and may at any time vary, rescind or revoke any such directions. The MAS may also issue such directions to an insurer as it may consider necessary or assume control of and manage such of the business of the insurer as it may determine, or appoint one or more persons as statutory manager to do so, where, among other things, it is satisfied that the affairs of the insurer are being conducted in a manner likely to be detrimental to the public interest or the interests of the policy owners or prejudicial to the interests of the insurer. The MAS is also empowered to cancel the licence of an insurer on certain grounds.

### ***Systemically Important Insurers in Singapore***

On 21 September 2023, the MAS published its framework for designating domestic systemically important insurers ("D-SII") and the inaugural list of four D-SIIs. Great Eastern Life has been designated as a D-SII under the D-SII framework which came into effect on 1 January 2024.

The focus of the D-SII framework is to identify insurers whose individual distress or disorderly failure, would cause significant disruption to Singapore's financial system and economic activity. Insurers whose failures are assessed to have a significant impact on the financial system and broader economy in Singapore will be formally designated as D-SIIs and subject to additional supervisory measures to address the negative externalities which they pose. The D-SII framework adopts an indicator-based approach based on four factors – size, interconnectedness, substitutability and complexity – to assess an insurer's systemic importance. The MAS will assess an insurer's systemic importance on an annual basis. A D-SII will be subject to more intensive supervision and additional policy measures which include, amongst others, higher capital requirements. In terms of capital requirements, a D-SII will be subject to a 25% capital surcharge,

which will increase a D-SII's higher and lower supervisory intervention levels, as well as Common Equity Tier 1 ("**CET1**") and Tier 1 capital requirements.

For recovery and resolution preparedness, the MAS has issued MAS Notice 134 on Recovery and Resolution Planning for Insurers ("**MAS Notice 134**") which will take effect on 1 January 2025. MAS Notice 134 sets out the requirements that a notified insurer will have to comply with in its recovery and resolution planning. This includes preparing a recovery plan in line with the requirements set out in MAS Notice 134 as well as maintaining information for the purposes of resolution planning, resolvability assessment and the conduct of resolution. The MAS has stated in the Response to Feedback Received on New Notice for Recovery and Resolution Planning for Insurers that the MAS only intends for the D-SIIs to be notified insurers for the purposes of MAS Notice 134 given their systemic impact.

### **Capital Requirements**

A licensed insurer is required at all times to maintain a minimum level of paid-up ordinary share capital. A licensed insurer incorporated in Singapore must obtain the prior written approval of the MAS to reduce its paid-up ordinary share capital or redeem any preference share. Further, a licensed insurer which is incorporated in Singapore is required to notify the MAS of its intention to issue any preference share or certain instruments prior to the date of issue of the preference share or instrument.

The MAS issued the RBC 2 Review on 22 June 2012 followed by a second and third consultation paper on 26 March 2014 and 15 July 2016 respectively. First introduced in 2004, the risk-based capital framework:

- (a) adopts a risk-focused approach to assessing capital adequacy and seeks to reflect the relevant risks that insurers face;
- (b) prescribes minimum capital which serves as a buffer to absorb losses; and
- (c) provides clearer information on the financial strength of insurers and facilitates early and effective intervention by MAS, where necessary.

The MAS has stated that the RBC 2 Review is not intended to result in a significant overhaul to the existing framework. Instead, it seeks to improve the comprehensiveness of the risk coverage and the risk sensitivity of the framework as well as define more specifically the MAS' supervisory approach with respect to the solvency intervention levels. The MAS has also stated that insurers in Singapore are well-capitalised and the objective of RBC 2 is therefore not to raise the industry's overall regulatory capital requirements, but to ensure that the framework for assessing capital adequacy is more aligned to an insurer's business activities and risk profiles. On 28 February 2020, the MAS concluded the RBC 2 Review by issuing the Insurance (Valuation and Capital) (Amendment) Regulations 2020 (which amend the existing Insurance (Valuation and Capital) Regulations 2004) and the new MAS Notice 133 on Valuation and Capital Framework for Insurers ("**MAS Notice 133**"). The Insurance (Valuation and Capital) (Amendment) Regulations 2020 and MAS Notice 133, which specify fund solvency requirements and capital adequacy requirements for a licensed insurer, came into effect on 31 March 2020. MAS Notice 133 was last updated on 8 December 2023 to reflect revisions in the illiquidity premium as part of the MAS regular review on the illiquidity premium calibration and credit spread movements.

According to the Insurance (Valuation and Capital) Regulations 2004 and MAS Notice 133, a licensed insurer must at all times maintain its fund solvency requirement at the adjusted fund level and the capital adequacy requirement at the insurer level.

Under regulation 4(1) of the Insurance (Valuation and Capital) Regulations 2004 and MAS Notice 133, the fund solvency requirement in respect of an insurance fund established and maintained by a licensed insurer under the Insurance Act is that the total assets of the fund must not at any time be less than the total liabilities of the fund. The fund solvency requirement of an adjusted fund is that the financial resources of the adjusted fund must not at any time be less than:

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

An adjusted fund is:

- (a) a participating fund established and maintained by a licensed insurer under the Insurance Act that relates to Singapore policies;
- (b) a participating fund established and maintained by a licensed insurer under the Insurance Act that relates to offshore policies;
- (c) the aggregate of the following insurance funds (if any) established and maintained by a licensed insurer under the Insurance Act that relate to Singapore policies:
  - (i) a non-participating fund;
  - (ii) an investment-linked fund; and
  - (iii) a general fund; or
- (d) the aggregate of the following insurance funds (if any) established and maintained by a licensed insurer under the Insurance Act that relate to offshore policies:
  - (i) a non-participating fund;
  - (ii) an investment-linked fund; and
  - (iii) a general fund.

A licensed insurer is also required always to satisfy its capital adequacy requirement, which is that its financial resources must not at any time be less than:

- (a) the higher of the following:
  - (i) the amount of the total risk requirement of the licensed insurer at the higher solvency intervention level, where the total risk requirement, also referred to as the PCR, is calibrated at 99.5% VaR over a one year period; and
  - (ii) S\$5 million; and
- (b) the higher of the following:
  - (i) the amount of the total risk requirement of the licensed insurer at the lower solvency intervention level, where the total risk requirement, also referred to as the MCR, is determined at 90.0% VaR over a one year period. MCR is set as 50% of PCR; and
  - (ii) S\$5 million.

A licensed insurer must also ensure that at all times: (a) where it is an insurer incorporated in Singapore, the Common Equity Tier 1 (“**CET1**”) Capital ratio which is determined as the ratio of the CET1 Capital over the sum of total risk requirements (excluding the risk requirements of participating funds) is not less than 60%; and (b) the Tier 1 Capital ratio which is determined as the ratio of the Tier 1 Capital over the sum of total risk requirements (excluding the risk requirements of participating funds) is not less than 80%.

The fund solvency requirement and capital adequacy requirement must be met at two supervisory solvency intervention levels, namely the higher solvency intervention level and the lower solvency intervention level. Each of the “financial resources” of an insurer and insurance fund, the “higher solvency intervention level”, “lower solvency intervention level” and the “total risk requirement” is determined, and assets and liabilities are valued, in accordance with the requirements of the Insurance (Valuation and Capital) Regulations 2004, the MAS Notice 133 on Valuation and Capital Framework for Insurers, the MAS Guidelines on the Preparation of Actuarial Investigation Report and the MAS Guidelines on Use of Internal Models for Liability and Capital Requirements for Life Insurance Products Containing Investment Guarantees with Non-Linear Payouts, where applicable.

The total risk requirement of an adjusted fund of an insurer, or (in the case of a licensed insurer incorporated in Singapore) arising from assets and liabilities of an insurer that do not belong to any insurance fund established and maintained by the insurer under the Insurance Act (including assets and liabilities of any of the insurer’s branches located outside Singapore) is to be calculated in accordance with MAS Notice 133 and currently comprises the following components:

- (a) Component 1 (C1) requirement relating to insurance risks of the insurer’s life and general businesses;
- (b) Component 2 (C2) requirement relating to market risks, credit risks and risks arising from the mismatch, in terms of interest rate sensitivity and currency exposure, of the assets and liabilities of the insurer;
- (c) the risk requirement relating to operational risk of the insurer as described in MAS Notice 133.

The total risk requirement of a licensed insurer is the aggregate of the total risk requirements of every adjusted fund of the insurer and, where the insurer is a licensed insurer incorporated in Singapore, the total risk requirement arising from assets and liabilities of the insurer that do not belong to any insurance fund established and maintained by the insurer under the Insurance Act (including assets and liabilities of any of the insurer’s branches located outside Singapore).

In the case of a licensed insurer incorporated in Singapore, in determining the total risk requirement arising from assets and liabilities of an insurer that do not belong to any insurance fund established and maintained by the insurer under the Insurance Act, the value of such assets and liabilities (including that arising from insurance business) is to be determined in accordance with Parts IV and V of the Insurance (Valuation and Capital) Regulations 2004.

A licensed insurer is required to immediately notify the MAS when it becomes aware that the fund solvency requirement or the capital adequacy requirement is not satisfied or is not likely to be satisfied in accordance with Section 17(1) of the Insurance Act. The MAS has the authority to direct that the insurer satisfy fund solvency or capital adequacy requirements other than those that the insurer is required to maintain under the Insurance Act if the MAS considers it appropriate. The MAS also has the power to impose directions on the insurer, and direct the insurer to carry on its business in such manner and in accordance with such conditions as imposed by the MAS in the event that it is notified of any failure or likely failure, or is aware of any inability, of the insurer to comply with the fund solvency or capital adequacy requirements described above.

The MAS also has the general power to impose asset maintenance requirements.

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

On 15 November 2023, the MAS issued MAS Notice FHC-N 133 that applies to all DFHCs that have a subsidiary that is a licensed insurer incorporated, formed or established in Singapore. MAS Notice FHC-N133 sets out the valuation and capital requirements for a DFHC of a licensed insurer (“**DFHC (Licensed Insurer)**”) based on the RBC 2 consolidation approach. MAS Notice FHC-N 133 comprises both mandatory requirements and guidelines on the capital adequacy requirement, valuation of assets and policy liabilities in respect of life business and general business, and the calculation of the total risk requirements and financial resources for a financial holding company group. MAS Notice FHC-N 133 came into effect on 1 January 2024.

### ***Policy Owners’ Protection Scheme***

The SDIC administers the Policy Owners’ Protection Scheme (the “**PPF Scheme**”) in accordance with the Deposit Insurance and Policy Owners’ Protection Schemes Act for the purposes of compensating (in part or whole) or otherwise assisting or protecting insured policy owners and beneficiaries in respect of the insured policies issued by PPF Scheme members and for securing the continuity of insurance for insured policy owners as far as reasonably practicable. PPF Scheme members essentially comprise direct insurers licensed to carry on life business under the Insurance Act (other than captive insurers) and direct insurers licensed to carry on general business under the Insurance Act (other than captive insurers or specialist insurers), in each case, which are not exempted from the requirement to be a PPF Scheme member.

There are two funds established under the PPF Scheme, namely the Policy Owners’ Protection Life Fund (the “**PPF Life Fund**”) to cover insured policies comprised in insurance funds established and maintained under Section 16 of the Insurance Act by direct insurers licensed to carry on life business and the Policy Owners’ Protection General Fund (the “**PPF General Fund**”) to cover insured policies comprised in insurance funds established and maintained under Section 16 of the Insurance Act by direct insurers licensed to carry on general business.

As PPF Scheme members, Great Eastern Life and GEG are required to pay a levy for any premium year or part thereof in respect of the insured policies issued by it. The levy rates for the purposes of computing the levies payable by PPF Scheme members are assessed and determined by the MAS. Where the MAS is of the opinion that there are insufficient moneys in the PPF Life Fund or the PPF General Fund, as the case may be, to pay any compensation due to insured policy owners or beneficiaries, or to fund any transfer or run-off of the insurance business of any failed PPF Scheme member under the Deposit Insurance and Policy Owners’ Protection Schemes Act, the MAS may, with the concurrence of SDIC, require PPF Scheme members to pay additional levies for any premium year or part thereof and determine the levy rate(s) for the purposes of computing the additional levies.

On 7 December 2023, the MAS published the Consultation Paper on Proposed Enhancements to the Policy Owners’ Protection Scheme in Singapore setting out recommendations to enhance the PPF Scheme. The proposals are aimed at enhancing the coverage of the PPF Scheme, simplifying its design and improving its operational efficiency. These proposals are part of MAS’ regular reviews

to ensure that the PPF Scheme remains up to date with market developments. As part of the proposals, the MAS has provided clarifications pertaining to the coverage under the PPF Life Fund and the PPF General Fund as well as addressed issues relating to the operationalisation of the PPF Scheme under different payout scenarios. The MAS has also published proposals intended to align, where useful and practicable, with the DI Scheme. The MAS has stated that there will be a subsequent consultation on the legislative changes to the Deposit Insurance and Policy Owners' Protection Schemes Act to effect the proposals.

### ***Major Stake and Investment Restrictions***

Under Section 34 of the Insurance Act and Section 31 of the FHC Act, no licensed insurer that is established or incorporated in Singapore or DFHC shall acquire or hold, directly or indirectly, a major stake in any corporation without the prior approval of the MAS and any approval granted by the MAS may be subject to such conditions as determined by the MAS, including any condition relating to the operations or activities of the corporation. A "major stake" means:

- (a) any beneficial interest exceeding 10% of the total number of issued shares (or, in the case of an umbrella VCC, either exceeding 10% of the total number of issued shares in the umbrella VCC that are not in respect of any of its sub-funds, or exceeding 10% of the total number of issued shares in the umbrella VCC in respect of any one of its sub-funds) or such other measure corresponding to shares in a corporation as may be prescribed by the MAS;
- (b) control of over more than 10% of the voting power (or, in the case of an umbrella VCC, either more than 10% of the voting power in the umbrella VCC that is not in respect of any of its sub-funds, or more than 10% of the voting power in the umbrella VCC in respect of any one of its sub-funds) or such other measure corresponding to voting power in a corporation as may be prescribed by the MAS; or
- (c) any interest in a corporation, where the directors of the company or VCC are accustomed or under an obligation, whether formal or informal, to act in accordance with the licensed insurer or DFHC's directions, instructions or wishes, or where the insurer or DFHC is in a position to determine the policy of the corporation.

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

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

## **Asset Management**

MAS Notice 125 on Investments of Insurers sets out the basic principles that govern the oversight of investment activities of an insurer and the investments of its insurance funds, and in the case of an insurer that is incorporated or established in Singapore, the investments of both its insurance funds and its shareholders' funds. It contains requirements relating to, among other things, the oversight by the board of directors and senior management, the various reports to be made by the investment committee to the board of directors at the prescribed frequency, duties of the investment committee, asset-liability management and permitted derivatives activities. Appendix A of MAS Notice 125 sets out the main elements that have to be included in the written investment policy of an insurer. With effect from 1 January 2023, Appendix A of MAS Notice 125 was amended to include an additional element which will require an insurer to consider whether the formulation of a counterparty risk appetite statement will be necessary and the factors to take into account for such consideration. MAS Notice FHC-N125 on Investment Activities similarly sets out the requirements and principles that govern the DFHC of a licensed insurer's ("**DFHC (Licensed Insurer)**") oversight over the investment activities within the DFHC (Licensed Insurer) group, including the investments of any entity that is not regulated by the MAS within the FHC group. These requirements are similar to the requirements under MAS Notice 125.

MAS Notice 105 on Insurer's Appointment of Custodians, requires a licensed insurer to ensure that every custodian and, where applicable, sub-custodian, which holds any asset of its insurance fund established and maintained under Section 16 of the Insurance Act ("**insurance fund asset**"), is licensed, approved, registered or otherwise regulated for its business or activity of providing custodial services by the relevant authority in the jurisdiction where the respective custody account or sub-custody account is maintained. A licensed insurer must also ensure:

- (a) that insurance fund assets held by a custodian or sub-custodian, as the case may be, are kept separate from the assets of the custodian or the sub-custodian, respectively;
- (b) that the extent of the custodian's liability in the event of any loss caused by fraud, wilful default or negligence on the part of the custodian, its sub-custodians or its agents is agreed upon in writing with the insurer;
- (c) that any material or systemic breach of the custody agreement between the custodian and the insurer must be brought to the insurer's attention as soon as possible; and
- (d) that, except as agreed in writing with the insurer, a custodian or a sub-custodian, with whom the insurance fund assets are held in a custody account or subaccount, does not:
  - (i) withdraw any of the insurance fund assets; or
  - (ii) take any charge, mortgage, lien or other encumbrance over, or in relation to any of the insurance fund assets.

MAS Notice 320 on Management of Participating Life Insurance Business ("**MAS Notice 320**") requires a direct life insurer which has established or will be establishing a participating fund to put in place an internal governance policy on the management of its participating life insurance business. The internal governance policy must contain the items in Appendix A of MAS Notice 320 and must be approved by the board of directors of the insurer. The insurer must, among other things, ensure that the participating fund is managed in accordance with the rules and guiding principles set out in the internal governance policy.

## **Separate Insurance Funds**

Every licensed insurer is required to establish and maintain a separate insurance fund (a) for each class of insurance business carried on by the insurer that (i) relates to Singapore policies and (ii) relates to offshore policies; (b) in the case of a direct insurer licensed to carry on life insurance business, for its investment-linked policies and for its non-investment-linked policies; and (c) if, in the case of a direct insurer licensed to carry on life insurance business, no part of the surplus of assets over liabilities from the insurer's non-participating policies is allocated by the insurer by way of bonus to its participating policies, in respect of its non-investment-linked policies (i) for its participating policies and (ii) for its non-participating policies.

MAS Notice 101 on Maintenance of Insurance Funds and MAS Guidelines on Implementation of Insurance Fund Concept provide further guidance and requirements on, among other things, the establishment and maintenance of insurance funds and the segregation of the assets of licensed insurers in Singapore as required under the Insurance Act. The Insurance Act also prescribes requirements relating to, among other things, withdrawals from the insurance funds, and insurance funds consisting wholly or partly of participating policies.

All receipts of the insurer properly attributable to the business to which an insurance fund relates (including the income of the fund) must be paid into that fund, and the assets in the insurance fund shall apply only to meet such part of the insurer's liabilities and expenses as is properly so attributable.

### ***Reinsurance***

MAS Notice 114 on Reinsurance Management sets forth the mandatory requirement for direct insurers to submit annual returns pertaining to their outward reinsurance arrangements and exposures to their top 10 reinsurance counterparties as well as the guiding principles relating to the oversight of the reinsurance management process of insurers (which includes the principle that the board of directors and senior management of an insurer should develop, implement and maintain a reinsurance management strategy appropriate to the operations of the insurer to ensure that the insurer has sufficient resources to meet obligations as they fall due), the classification of a contract as a reinsurance contract, and the assessment of significant insurance risk transfer. In addition, the MAS has issued MAS Guidelines on Risk Management Practices for Insurance Business – Core Activities (as last revised on 10 January 2024) (the “**Insurance Business Guidelines**”), which provide further guidance on risk management practices in general, relating to, among other things, reinsurance management.

### ***Regulation of Products***

A direct insurer licensed to carry on life business may only issue a life policy or a long-term accident and health policy if the premium chargeable under the policy is in accordance with rates fixed with the approval of an appointed actuary or, where no rates have been so fixed, is a premium approved by the actuary.

A direct life insurer is required under MAS Notice 302 on Product Development and Pricing (“**MAS Notice 302**”) to exercise prudent management oversight on the pricing and development of insurance products and investment-linked policy sub-funds, and to, before offering certain new products, either obtain the approval of, or notify, the MAS, as the case may be. Such request for approval or notification shall include information on, among other things, the tables of premium rates. MAS Notice 302 also sets forth prohibited payout features and requirements relating to disclosure to policyholders and persons entitled to payment of the policy moneys under a policy who have exercised a certain settlement option. MAS Notice 302 has been amended to take into account the approval requirements which apply to the Direct Purchase Insurance Products (“**DPIs**”). In relation to DPIs, the MAS issued MAS Notice 321 on Direct Purchase Insurance Products (“**MAS**

**Notice 321**") on 13 May 2016 which imposes specific obligations on a direct life insurer in respect of DPIs and also requires insurers to obtain written approval from the MAS before offering any new or repriced DPI for sale to the public. On 19 March 2021, amendments were made to MAS Notice 302 and 321 to replace the hardcopy submission requirements for new or revised products, including DPIs with electronic submission (via email) requirements.

In addition, in the Insurance Business Guidelines, further guidance on risk management practices relating to the core activities of an insurer in relation to product development, pricing, underwriting, claims handling and reinsurance management have been set out.

There are also mandatory requirements and non-mandatory standards which would apply under MAS Notice 307 on Investment-Linked Policies to investment-linked policies relating to, among other things, disclosure, investment guidelines, borrowing limits and operational practices. Licensed insurers are required to provide for a free-look period for life policies, and accident and health policies with a duration of one year or more. On 28 June 2021, amendments were made to MAS Notice 307 on the Investment-Linked Policy's ("**ILP**") fees and charges and came into effect on 1 July 2021. For any ILP that is issued on or after 8 October 2021, an insurer shall:

- (a) consolidate the fees and charges, other than charges for insurance coverage, that are imposed upfront, where such fees or charges are deducted from premiums that are paid on the ILP or deducted via a cancellation of units in an ILP sub-fund ("upfront deductions");
- (b) disclose the upfront deductions as a single charge, and term it as a "premium charge" in any such disclosure that the insurer is required by the MAS to make or when referring to it in an advertisement or any other communication made to policyholders; and
- (c) not use the term "premium allocation rate" in any such disclosure that the insurer is required by the MAS to make or when referring to it in any advertisement.

### **Market Conduct Standards**

MAS Notice 306 on Market Conduct Standards for Life Insurers Providing Financial Advisory Services as Defined under the Financial Advisers Act ("**MAS Notice 306**") imposes certain requirements on direct life insurers which provide financial advisory services under the FAA relating to, among other things, training and competency requirements, prohibition against subsidised loans to representatives out of life insurance funds, establishing a compliance unit, taking disciplinary action against representatives for misconduct, and allocation/non-allocation of income and expenses to the life insurance funds. With effect from 22 February 2021, MAS Notice 306 was amended and an insurer is no longer required to submit information on its provision of financial advisory services annually to the MAS.

MAS Notice 318 on Market Conduct Standards for Direct Life Insurer as a Product Provider ("**MAS Notice 318**") also imposes certain requirements on direct life insurers as product providers of life policies relating to, among other things, standards of disclosure and restrictions on the sales process and the replacement of life policies.

The MAS has also issued the Guidelines on the Online Distribution of Life Policies with No Advice (the "**Distribution Guidelines**") which applies to all direct life insurers. The Distribution Guidelines (last revised on 26 March 2024) sets out the MAS' expectations on the safeguards that direct life insurers should put in place for the online distribution of life policies without the provision of advice.

MAS Notice 211 on Minimum and Best Practice Training and Competency Standards for Direct General Insurers ("**MAS Notice 211**") requires direct general insurers to only enter into insurance contracts arranged by agents or staff with requisite registration and minimum qualification requirements (unless exemptions apply), and requires direct general insurers to ensure that staff of certain agents who sell

or provide sales advice on the insurers' products are adequately trained and that front-end operatives meet the qualification requirements (unless exemptions apply) before they are allowed to provide sales advice on or sell general insurance products or handle claims. MAS Notice 211 was also revised as of 6 July 2015 to (among other things) clarify that the requirements similarly apply to outsourced claims handlers, with the amendments taking effect on 20 July 2015. MAS Notice 211 was further revised as of 28 October 2021 to (among other things) exempt trade specific agents from minimum academic qualifications requirement and to include additional accepted qualifications in Annex 1 of MAS Notice 211.

Non-mandatory best practice standards apply to direct general insurers to implement training and competency plans for front-end operatives. The MAS Guidelines on Market Conduct Standards and Service Standards for Direct General Insurers set out the standards of conduct expected of direct general insurers as product providers of insurance policies.

In respect of health insurance products, direct insurers must ensure, among other things, that any individual employed by them or who acts as their insurance agent or appointed representative pass the examination requirements specified in MAS Notice 117 on Training and Competency Requirement: Health Insurance Module (unless exemptions apply) and are prohibited from accepting business in respect of any health insurance product from any individual whom they employ or who acts as their insurance agent and who has not met such requirements. MAS Notice 120 on Disclosure and Advisory Process Requirements for Accident and Health Insurance Products ("**MAS Notice 120**") sets out both mandatory requirements and best practice standards on the disclosure of information and provision of advice to insureds for accident and health policies and life policies that provide accident and health benefits. In 2015, the MAS reviewed the regulatory framework for accident and health insurance products and amended MAS Notices 117 and 120. The changes largely pertain to Medisave-approved Integrated Shield Plans but extend in part to all accident and health policies. The changes include enhanced disclosure requirements, stronger protection measures for policyholders, and improved quality of conduct of intermediaries selling accident and health insurance. Amendments were made to MAS Notice 120 to grant a temporary exemption of paragraph 24A thereof (i.e. no closure of sale of any Medisave-approved policy over the telephone) for the period from 13 April 2020 to 30 September 2022. On 2 February 2024, the MAS issued a Consultation Paper on Proposals to Simplify Requirements and Facilitate Access to Simple and Cost-Effective Insurance Products proposing to allow financial institutions to collect a reduced set of client information when making recommendations on selected life of long-term accident and health insurance policies in accordance with the rules of thumb in the Basic Financial Planning Guide subject to certain safeguards. The proposal seeks to promote the adoption of the Basic Financial Planning Guide by the financial advisory industry, and enable consumers to more easily purchase simple and cost-effective insurance policies to meet their needs which can help narrow insurance protection gaps in Singapore. To implement the proposal, MAS is proposing to amend MAS Notice 120 to set out an exemption for financial institutions which make recommendations on insurance policies made in accordance with the Basic Financing Planning Guide from the full information collection requirements currently set out in MAS Notice 120, subject to certain safeguards.

MAS Notice 320 on Management of Participating Life Insurance Business ("**MAS Notice 320**") requires a direct life insurer to comply with certain disclosure requirements for product summaries, and annual bonus updates, in relation to its participating policies. On 16 November 2020, MAS Notice 320 was amended to implement proposals relating to insurers' charging of expenses to the participating fund and to allow insurers to send its policy owner the annual bonus update in electronic form unless the policy owner specifically requests for hardcopy.

The Insurance (Remuneration) Regulations 2015, which came into force on 1 January 2016, set out certain requirements in connection with the payment of remuneration in relation to the provision of any financial advisory service in connection with any life policy, or the sale of any life policy following the provision of any financial advisory service.

The MAS implemented financial advisory industry review (“**FAIR**”) initiatives such as a web aggregator, which allows consumers to compare life insurance products from various companies using a web portal, and direct channel purchase in April 2015. The re-issuance of MAS Notice 322 on Information to be Submitted Relating to the Web-Aggregator took effect on 1 January 2016, specifically detailing the information required to be submitted for the purposes of the web-aggregator. On 27 November 2023, MAS Notice 322 was amended to reflect that information for the purposes of the web-aggregator will have to be submitted through compareFIRST Insurer Facilitator.

Various industry codes of practice also apply to insurers, including codes/guidelines issued by the Life Insurance Association of Singapore (“**LIA**”) and the General Insurance Association of Singapore (“**GIA**”).

In addition, there are rules in the Insurance Act and the relevant regulations, notices, guidelines and circulars relating to the granting of loans, advances and credit facilities by insurers, which insurers have to comply with if they conduct such activities.

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

### **Corporate Governance**

All direct insurers which are incorporated in Singapore (other than marine mutual insurers) are subject to the Insurance (Corporate Governance) Regulations 2013. Among other things, these regulations require an insurer which is established or incorporated in Singapore and in the case of a:

- (a) direct life insurer, whose latest annual audited statement of financial position shows that it has total assets of at least S\$5 billion or its equivalent in any foreign currency;
- (b) direct general insurer or a reinsurer, whose latest annual audited statement of profit and loss shows that it has gross premiums of at least S\$500 million or its equivalent in any foreign currency in its insurance funds and Overseas (Branch) Operations (defined as the income and outgoings of the operations of all branches of the insurer located outside Singapore); and
- (c) direct composite insurer, who satisfies the requirements in (a) above in respect of its total assets or in (b) above in respect of gross premiums for its general business,

(each a “**Tier 1 insurer**”) to, subject to certain exceptions, have a board of directors comprising at least a majority of directors who are “independent directors”, establish various committees with prescribed responsibilities, and obtain the MAS’ prior approval for the appointment of the members of the nominating committee, chief financial officer and chief risk officer. “Independent directors” are directors who are independent from any management and business relationship with the insurer and from any substantial shareholder of the insurer and who have not served on the board of directors of the insurer for a continuous period of nine years or longer. Great Eastern Life and GEG are both Tier 1 insurers.

The Financial Holding Companies (Corporate Governance of Designated Financial Holding Companies with Licensed Insurer Subsidiary) Regulations 2022 (the “**DFHC (Licensed Insurer) Corporate Governance Regulations**”), which apply to a DFHC (Licensed Insurer) such as Great

Eastern Holdings, set out similar corporate governance requirements. A DFHC (Licensed Insurer) which:

- (a) holds, directly or indirectly, any share in one or more insurance companies carrying on life business, and the consolidated total assets of the FHC group of the DFHC (Licensed Insurer) is S\$20 billion or more in value or its equivalent in any foreign currency;
- (b) all insurance companies in the FHC Group of the DFHC (Licensed Insurer) carry on only general business, and the consolidated total gross premium of the FHC group of the DFHC (Licensed Insurer) is S\$2 billion or more in value or its equivalent in any foreign currency; or
- (c) the DFHC (Licensed Insurer) has at least one subsidiary that is a Tier 1 insurer;

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

Direct insurers that are incorporated in Singapore, as well as all DFHCs, are subject to the MAS Guidelines on Corporate Governance for Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are Incorporated in Singapore.

### ***Asset and Liability Exposures***

MAS Notice 122 on Asset & Liability Exposures for Insurers (“**MAS Notice 122**”) sets forth various asset and liability exposures reporting requirements and prescribes the form in which the relevant reports are to be made.

A licensed insurer is required to file, among other things, the following in their prescribed formats with the MAS (i) for each quarter, the breakdown of equity securities, breakdown of debt securities, breakdown of loans, breakdown of cash and deposits, breakdown of derivatives, turnover volume of derivatives, breakdown of foreign currency exposure for assets and liabilities and top 10 broker groups with the highest outstanding premiums due, and (ii) annually, the breakdown of assets managed by head office/parent/outsourced entity, breakdown of insurance exposure of Singapore Insurance General Fund, breakdown of insurance exposure of Offshore Insurance (Life and General) Fund and breakdown of assets held by custodian.

On 5 November 2021, the MAS issued a Consultation Paper on Proposed Changes to Notice 122 on Assets and Liabilities Exposures for Insurers and its Implementation proposing to remove certain reporting requirements on the Turnover Volume of Derivatives by Notional Principal Amount with a view to collect data on a risk proportionate basis, a restructuring in the manner which custodian information relating to equity, debt, loans, cash and deposits and derivatives are reported and the collection of additional information including those relating to the breakdown of underlying assets of collective investment schemes, investment-linked policies sub-funds, currency reserve and unit reserves of investment-linked business amongst others. The MAS has proposed that the enhanced data collected will be using a new platform called the Data Collection Gateway. On 27 May 2022,

the MAS published the Response to Feedback Received on Proposed Changes to Notice 122 on Assets and Liabilities Exposures for Insurers and its Implementation stating that it will simplify a number of the proposals in view of the feedback received (the “**Response Paper**”). On 30 November 2023, the MAS issued a revised MAS Notice 122 which has been amended in line with the responses set out in the Response Paper. The amendments to MAS Notice 122 took effect on 1 January 2024.

### ***Risk Management and Fit and Proper Person***

Broadly, the MAS has issued risk management guidelines applicable to insurers specifically and to financial institutions generally. The risk management guidelines which are of general application, and which apply to licensed insurers, provide guidance on sound risk management practices and cover credit, market, liquidity, operational, technology, internal controls and the role of a financial institution’s Board of Directors and senior management.

MAS Notice 126 on Enterprise Risk Management (“**ERM**”) for Insurers sets out ERM requirements and guidelines on how insurers are to identify and manage interdependencies between key risks, and how they are translated into management actions related to strategic and capital planning matters. With effect from 1 January 2023, MAS Notice 126 was amended to include new requirements for an insurer to identify and address concentration risk in its ERM framework, to perform stress testing on material counterparty exposures as part of the insurers’ annual Own Risk and Solvency Assessment (“**ORSA**”), to perform macroeconomic stress testing and liquidity stress testing as part of their ORSA stress testing process and to establish a liquidity contingency funding plan setting out the strategy for addressing liquidity shortfalls. MAS Notice FHC-N126 similarly sets out the ERM requirements and guidelines which apply to a DFHC (Licensed Insurer) which includes establishing an ERM framework for the FHC group and performing the ORSA at the group level. The ORSA conducted at the group level must be performed at least annually. MAS Notice FHC-N126 was last revised on 29 April 2024 to require a DFHC (Licensed Insurer) to establish liquidity risk management processes as part of its ORSA.

MAS Notice 123 on Reporting of Suspicious Activities and Incidents of Fraud sets out requirements for insurers to report suspicious activities and incidents of fraud which are material to the safety, soundness or reputation of the insurer. The MAS has also issued the Guidelines on Risk Management Practices for Insurance Business – Insurance Fraud Risk (as last updated on 10 January 2024) (the “**Insurance Fraud Risk Guidelines**”) setting out risk management practices to identify and mitigate insurers’ exposure to the risk of insurance fraud. The Insurance Fraud Risk Guidelines sets out broad principles that should be embedded in a risk management framework established by the insurer covering strategy, organisational structure, policies and procedures for managing insurance fraud risk.

MAS Notice FSM-N03 (which took effect from 10 May 2024) on Technology Risk Management sets out requirements relating to technology risk management for licensed insurers. These include requirements for the insurer to have in place a framework and process to identify critical systems, to make all reasonable effort to maintain high availability for critical systems, to establish a recovery time objective of not more than four hours for each critical system, to notify the MAS of a system malfunction or IT security incident, which has a severe and widespread impact on the insurer’s operations or materially impacts the insurer’s service to its customers, to submit a root cause and impact analysis report to the MAS and to implement IT controls to protect customer information from unauthorised access or disclosure. These requirements were previously set out in MAS Notice 127 which was issued under the Insurance Act but has since been migrated with effect from 10 May 2024 under MAS Notice FSM-N03 which is issued under the FSM Act. Licensed insurers are also expected to observe and comply with the technology risk management principles and best practice standards set out in the TRM Guidelines.

MAS Notice FSM-N04 on Cyber Hygiene (which took effect from 10 May 2024) sets out cyber security requirements on securing administrative accounts, applying security patching, establishing baseline security standards, deploying network security devices, implementing anti-malware measures and strengthening user authentication. Similarly, MAS Notice FSM-N16 (which took effect from 10 May 2024) sets out cyber security requirements which apply to a DFHC (Licensed Insurer). These requirements in MAS Notice FSM-N04 were migrated from MAS Notice 127 issued under the Insurance Act, while the requirements under MAS Notice FSM-N16 were migrated from MAS Notice FHC-1119 issued under the FHC Act. Both notices have now been issued under the FSM Act.

Under the MAS Guidelines on Fit and Proper Criteria (FSG-G01), the following persons, among others, are required to be “fit and proper” persons: a substantial shareholder of a licensed insurer, a principal officer or director of a licensed insurer, a person having effective control of a licensed insurer, a person having control of a licensed insurer, an appointed actuary, a certifying actuary, and an exempt financial institution and its representatives in relation to activities regulated by the MAS under the FAA. Broadly, the MAS will take into account, among other things, the following criteria in considering whether a person is fit and proper: (i) honesty, integrity and reputation; (ii) competence and capability; and (iii) financial soundness.

On 14 May 2021, MAS published a Consultation Paper on Proposals to Mandate Reference Checks proposing to require financial institutions to perform reference checks and respond to reference check requests, based on a set of minimum mandatory information within a specified period of time. This is intended to mitigate the risk of “rolling bad apples”, where individuals who engage in misconduct in one firm, move on to another firm without disclosing their earlier misconduct to the prospective employer. The financial institutions which the MAS has proposed for the requirements to apply to includes licensed insurers. On 12 December 2023, the MAS published its Response to Feedback Received on Proposals to Mandate Reference Checks stating that it will proceed with the proposal to require all financial institutions in the categories listed in Annex A of the response paper (which includes licensed insurers) to conduct and respond to reference checks. In terms of the employees within scope, the MAS has said that this will be aligned with the scope of relevant functions under the harmonised and expanded power to issue prohibition orders under section 6 of the FSM Act but a risk-based approach will be adopted such that reference checks are only required on senior managers and material risk personnel performing relevant functions under section 6 of the FSM Act. In terms of implementation, the MAS intends to impose the requirements via Notices issued to the relevant financial institution to conduct and respond to reference checks on a minimum set of standardised information. The MAS has stated that it will be consulting on the draft Notices in due course.

### ***Appointment of Chairman, Directors and Key Executive Persons***

A licensed insurer established or incorporated in Singapore must, prior to appointing a person as its chairman, director or key executive person (such persons include the chief executive, deputy chief executive, appointed actuary, certifying actuary, chief financial officer of a Tier 1 insurer, chief risk officer of a Tier 1 insurer and such other person holding an appointment in the licensed insurer as may be prescribed), satisfy the MAS that the person is a fit and proper person to be so appointed and obtain the MAS' approval for the appointment. Without the prior written consent of the MAS, a licensed insurer which is established or incorporated in Singapore must not permit a person to act as its executive officer or director if the person, among other things, has been convicted, whether in Singapore or elsewhere, of an offence involving fraud or dishonesty, is an undischarged bankrupt, or had a prohibition order under the Insurance Act of Singapore, FAA or SFA made against him that remains in force, whether in Singapore or elsewhere.

MAS Notice 106 on Appointment of Director, Chairman and Key Executive Person (“**MAS Notice 106**”) sets out mandatory requirements and guidelines relating to the appointment of a director, chairman and key executive person of a licensed insurer. In addition, MAS Notice 106 prescribes the application form for the appointment of directors, chairman and key executive persons, and the form for licensed insurers to notify the MAS of changes in the roles and responsibilities or reporting structure of directors and key executive persons.

MAS Notice 106 was amended on 24 September 2021 to remove the requirement for insurers to notify MAS of any proposed arrangement (including an arrangement resulting in a director or key executive person taking on additional executive officer position or directorship) relating to a director or key executive person at least one month before it takes effect, to allow insurers to notify MAS as soon as practicable in the event that it is not possible for the insurer to be aware of the additional appointment at least one month before it takes effect.

If at any time it appears to the MAS that (a) a key executive person, the chairman or a director of a licensed insurer which is established or incorporated in Singapore has failed to perform his functions or is no longer a fit and proper person to be so appointed and (b) it is necessary in the public interest or for the protection of policy owners of a licensed insurer, the MAS may direct the licensed insurer to remove the key executive person, chairman or director, as the case may be, from his office, appointment or employment.

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

### ***Financial Reporting Requirements***

The MAS Notice 129 on Insurance Returns (Accounts and Statements) (“**MAS Notice 129**”) sets forth various reporting requirements and prescribes the form in which the relevant statements of account and other statements of a licensed insurer are to be made. On 15 March 2021, amendments were made to the Independent Auditor’s Report and Independent Auditor’s Supplementary Report in MAS Notice 129 to take into account revisions on the Singapore Standards on Auditing.

A licensed insurer is required to file with MAS, all applicable forms (including all applicable annexes to such forms) and documents as specified in the relevant appendix of MAS Notice 129, in the form and manner specified in such appendix.

Under MAS Notice FHC-N129, a DFHC (Licensed Insurer) is similarly required to file with MAS, all applicable forms (including all applicable annexes to such forms) and documents as specified in the relevant appendix of MAS Notice FHC-N129, in the form and manner specified in such appendix. On 7 December 2023, the MAS issued a revised MAS Notice FHC-N129 which sets out amendments to revise the reporting requirements for a DFHC (Licensed Insurer). The amendments, which are intended to take into account the valuation and capital requirements under MAS Notice FHC-N 133, took effect on 1 January 2024.

MAS Notice 318 requires direct life insurers to submit information on their businesses and sources of businesses to the MAS annually. MAS Notice 306 previously required direct life insurers to submit

information on their businesses to the MAS annually. This requirement has since been removed with effect from 22 February 2021.

### ***Appointment of auditors***

Under Section 39(1) of the FHC Act and Section 94(4) of the Insurance Act, a DFHC and licensed insurer (other than a captive insurer and a marine mutual insurer) are required to appoint an auditor annually for the purposes of preparing and lodging with the MAS the requisite statements of accounts and other statements relating to its business. No person shall act as auditor for a DFHC and licensed insurer unless, among other things, the insurer has obtained the approval of the MAS to appoint that person as an auditor.

### ***Actuaries***

Under Section 95(1) of the Insurance Act, a licensed insurer carrying on life and general business is also required, for each accounting period, to have an investigation made by an actuary approved by the MAS into the financial condition of each class of business that it carries on. Actuaries must be approved by the MAS. A direct insurer licensed to carry on life and general business shall have appointed an actuary and a certifying actuary, in each case, who is responsible for, among other things, reporting to the chief executive of the insurer on various matters including matters which in the actuary's opinion have a material adverse effect on the financial condition of the insurer in respect of its life or general business, or both, as the case may be. If the appointed actuary or certifying actuary, as the case may be, is of the opinion that the insurer has failed to take appropriate steps to rectify any matter reported by the actuary within a reasonable time, the actuary is required to immediately send a copy of his report to the MAS and notify the board of directors of the insurer that he has done so.

### ***Public Disclosure***

Licensed insurers are subject to MAS Notice 124 on Public Disclosure Requirements ("**MAS Notice 124**") which sets out requirements for an insurer to disclose relevant, comprehensive and adequate information on a timely basis in order to give a clear view of its business activities, performance and financial position. MAS Notice 124 requires an insurer to disclose quantitative and qualitative information on its profile, governance and controls, financial position, technical performance and the risks to which it is subject.

From 1 January 2023, the public disclosure requirements in MAS Notice 124 have been enhanced to require insurers to publicly disclose quantitative and qualitative information on liquidity risk, including quantitative information on sources and uses of liquidity (considering liquidity characteristics of both assets and liabilities), and qualitative information on liquidity risk exposures, management strategies, policies and processes. Insurers are also now required to publicly disclose quantitative and qualitative information on investment risk, including quantitative information on currency risk, market risk, credit risk and concentration risk, and qualitative information on the management of investment risk exposures, use of derivatives for hedging investment risks and internal policies on the use of derivatives.

### ***Resolution Powers***

Under the FSM Act, FHC Act and the Insurance Act of Singapore, the MAS has resolution powers in respect of Singapore licensed insurers and DFHC. Broadly speaking, the MAS has powers to (amongst other things) assume control of a DFHC and insurer, impose moratoriums, temporarily stay termination rights of counterparties, order compulsory transfers of business or shares and impose requirements relating to recovery and resolution planning.

The MAS has issued MAS Notice 134 on Recovery and Resolution Planning for Insurers (“**MAS Notice 134**”) under section 51 of the FSM Act which sets out the requirements on recovery and resolution planning for insurers notified by the MAS and which will take effect on 1 January 2025. While MAS expects all insurers to have a recovery plan in place to identify actions that can be taken to restore its financial position and viability under situations of severe stress, the MAS focus will be on D-SIIs given their systemic impact. The notified insurers will therefore be the D-SIIs as a start. The recovery plan which a notified insurer will be required to prepare must include (a) a framework of recovery triggers that identifies the points at which appropriate recovery options may be taken; (b) an escalation process upon the occurrence of a trigger event, to facilitate prompt assessment of the impact, and decision on the appropriate course of action; (c) a menu of recovery options which are available in situations of severe stress to address capital shortfalls and liquidity pressures; and (d) a communication plan to ensure timely communication with internal and external stakeholders. The notified insurers will be required to review and test the feasibility and effectiveness of the recovery plan to ensure it remains relevant and up-to-date.

The MAS has also proposed to extend the statutory bail-in regime under the MAS Act (which has been migrated to the FSM Act with effect from 10 May 2024) to Singapore-incorporated licensed insurers and designated insurance holding companies. The statutory bail-in regime will be applied to equity instruments (except ordinary shares), unsecured subordinated liabilities and certain types of unsecured senior liabilities, issued or contracted after the effective date of the relevant legislative amendments specifying the bail-inable instruments for the insurance sector. In addition, the MAS has proposed to extend the restrictions on eligible instruments and disclosure requirements under the previous regulations 25 and 26 of the Monetary Authority of Singapore (Resolution of Financial Institutions) Regulations 2018, as since migrated to regulations 30 and 31 of the RFI Regulations with effect from 10 May 2024, to the statutory bail-in regime for the insurance sector.

### ***Inspection and Investigative Powers***

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

On 2 July 2021, the MAS published the Consultation Paper on Proposed Amendments to MAS’ Investigative and Other Powers under the Various Acts proposing amendments under the Financial Institutions (Miscellaneous Amendments) Bill (the “**FIMA Bill**”) to various pieces of legislation including the Insurance Act. The proposals aim to enhance the MAS’ evidence-gathering powers and to facilitate greater inter-agency coordination. Amongst the proposed amendments to the Insurance Act include granting the MAS the power to require any person to provide information for the purposes of investigation, requiring any person to appear for examination and allowing the MAS to enter premises without warrant and be able to transfer evidence between the MAS and other agencies.

On 16 February 2024, the MAS published its Response to Feedback Received on Proposed Amendments to MAS’ Investigative and Other Powers under the Various Acts. The MAS has stated that it will be proceeding with the proposals to enhance the supervision and enforcement powers of the MAS under the relevant legislation and provided further clarification on the scope of application of the enhanced supervision and enforcement powers it will be able to exercise. The FIMA Bill was passed by the Singapore Parliament on 7 March 2024 and assented to by the

President on 22 March 2024 and is currently awaiting being brought into force (the “**FIMA Act**”). When the FIMA Act comes into effect, the MAS will have enhanced supervision and enforcement powers over licensed insurers.

In addition, when the remaining phases of the FSM Act come into effect (currently targeted to be in the second half of 2024), the newly-introduced harmonised and expanded power for the MAS to issue prohibition orders against persons who are not fit and proper from engaging in financial activities regulated by the MAS or performing any key roles of functions in the financial industry that are prescribed, in order to protect a financial institution’s customers, investors or the financial sector, will broaden the categories of persons who may be subject to prohibition orders. These expanded powers will apply to persons working in insurers in Singapore.

### ***Priority of liabilities in winding up***

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

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

- (a) firstly, any levy due and payable by the licensed insurer under the Deposit Insurance and Policy Owners’ Protection Schemes Act;
- (b) secondly, protected liabilities incurred by the licensed insurer, up to the amount paid or payable out of any of the PPF Funds (i.e. the PPF Life Fund or the PPF General Fund) by SDIC under the Deposit Insurance and Policy Owners’ Protection Schemes Act in respect of such protected liabilities and, if applicable, the amount paid or payable out of any of the PPF Funds by SDIC under the Deposit Insurance and Policy Owners’ Protection Schemes Act to fund any transfer or run-off of the business of the licensed insurer or the termination of insured policies issued by the licensed insurer;
- (c) thirdly, any liabilities incurred by the licensed insurer in respect of direct policies which are not protected under the Deposit Insurance and Policy Owners’ Protection Schemes Act;
- (d) fourthly, any liabilities incurred by the licensed insurer in respect of reinsurance policies;
- (e) fifthly, any sum claimed by the trustee of a resolution fund (within the meaning of section 107 of the FSM Act) from the licensed insurer under Section 112, 113, 114 or 115 of the FSM Act.

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

### ***AML/CFT Requirements***

Licensed insurers in Singapore are subject to AML/CFT requirements which are both of general application and applies to all persons in Singapore as well as those of sectoral application which applies only to financial institutions in Singapore. The AML/CFT requirements which are of general application

are set out in the CDSA and TSOFA and applies to all persons in Singapore, including an insurer licensed in Singapore and a DFHC.

Separately, as a financial institution regulated by the MAS, an insurer licensed in Singapore as a life insurer is subject to AML/CFT requirements issued by the MAS which are of sectoral application. A life insurer such as Great Eastern Life is required to implement robust controls to detect and deter the flow of illicit funds through Singapore's financial system. The MAS has issued MAS Notice 314 (as last revised on 1 March 2022) on Prevention of Money Laundering and Countering the Financing of Terrorism – Life Insurers and their relevant guidelines which sets out the AML/CFT requirements applies to all direct life insurers in relation to their life policies. This includes performing customer due diligence on all customers before and after establishing business relations with any customer, conducting regular account reviews, performing record keeping and reporting any suspicious transactions to the Suspicious Transaction Reporting Office, Commercial Affairs Department of the Singapore Police Force.

In addition, the FSM Regulations issued by the MAS which give effect to targeted financial sanctions under the UNSCR will also apply to a life insurer and a DFHC. Broadly, the FSM Regulations require financial institutions to (a) immediately freeze funds, other financial assets or economic resources of designated individuals and entities; (b) not enter into financial transactions or provide financial assistance or services in relation to: (i) designated individuals, entities or items; or (ii) proliferation, nuclear or other sanctioned activities; and (iii) inform MAS of any fact or information relating to the funds, other financial assets or economic resources owned or controlled, directly or indirectly, by a designated individual or entity.

In response to Russia's invasion of Ukraine, the Singapore Government has imposed financial measures targeted at designated Russian banks, entities and activities in Russia, and fund-raising activities benefiting the Russian government. These measures apply to all financial institutions in Singapore including a life insurer and a DFHC. These financial measures are set out in MAS Notice SNR-N01 on Financial Measures in Relation to Russia and MAS Notice SNR-N02 on Financial Measures in Relation to Russia – Non-prohibited Payments and Transactions which were both published and took effect on 14 March 2022.

### ***Outsourcing***

Licensed insurers are subject to the MAS' Guidelines on Outsourcing (as last revised on 5 October 2018) which sets out the MAS' expectations of a financial institution that has entered into any outsourcing arrangement or is planning to outsource its business activities to a service provider. The Guidelines on Outsourcing requires a financial institution to enter into an outsourcing agreement with the service provider and for such outsourcing agreement to contain certain specified provisions including in relation to performance, operational, internal control and risk management standards, confidentiality and security, business continuity management, monitoring and control, notification of adverse developments, dispute resolution, default termination and early exit, sub-contracting as well as providing for audit and inspection rights.

On 11 December 2023, the existing MAS' Guidelines on Outsourcing were amended and renamed as the "Guidelines on Outsourcing (Financial Institutions other than Banks)". The updated Guidelines on Outsourcing (Financial Institutions other than Banks) will take effect from 11 December 2024. Amongst the amendments, include the removal of references to banks and merchant banks, the addition of an annex of "exempted outsourced services" and amendments relating to business continuity management.

### ***Digital Advisory Services***

On 8 October 2018, the MAS issued the Guidelines on Provision of Digital Advisory Services, which applies to all financial institutions (including licensed insurers) offering or seeking to offer digital advisory services in Singapore. Digital advisers seeking to offer their platforms to investors in Singapore will have to be licensed for fund management or dealing in capital markets products under the SFA and/or providing financial advisory services on investment products under the FAA.

The type of licensing depends on the operating model of the digital adviser. The Guidelines set out the MAS' expectations on the board of directors and senior management to address the risks posed covering governance and supervision of algorithms, and clarifies the applicability of existing requirements to digital advisers, such as those relating to technology risk management, prevention of money laundering and countering the financing of terrorism, suitability of advice, disclosure of information, applicability of the balanced scorecard framework, as well as advertisements and marketing.

### ***Environment Risk Management***

On 8 December 2020, the MAS issued the Guidelines on Environmental Risk Management for Insurers ("**ERM Guidelines**") which applies on a group basis for locally-incorporated insurers. The ERM Guidelines set out MAS' expectations on environmental risk management for all insurers and covers governance and strategy, risk management, underwriting, investment and disclosure of environmental risk information. The board of directors and senior management of the insurer is expected to maintain effective oversight of the insurer's environmental risk management and disclosure, including the policies and processes to assess, monitor and report such risk, and oversee the integration of the insurer's environmental risk exposures into the insurer's enterprise risk management framework. Insurers were given up to June 2022 to implement the expectations set out in the ERM Guidelines and demonstrate evidence of implementation progress.

On 18 October 2023, the MAS published the Consultation Paper on Guidelines on Transition Planning (Insurers) setting out MAS' proposed Guidelines on Transition Planning to supplement the ERM Insurer Guidelines and provide additional granularity in relation to insurers' transition planning processes. Transition planning for insurers refers to the internal strategic planning and risk management processes undertaken to prepare for both risks and potential changes in business models associated with the transition. The proposed Guidelines on Transition Planning (Insurers) (the "**Insurer TPG**") sets out the MAS expectation for insurers to have a sound transition planning process to enable effective climate change mitigation and adaptation measures by their customers in the global transition to a net zero economy and the expected physical effects of climate change. It is proposed that the Insurer TPG will be applicable to insurers providing insurance coverage to corporate customers, insurer's underwriting and investment activities as well as any other activities that expose the insurer to material environmental risk. For locally-incorporated insurers, the Insurer TPG will be applicable on a group basis.

### ***Individual Accountability and Conduct***

With effect from 10 September 2021, financial institutions regulated by the MAS should implement appropriate policies and processes to achieve five accountability and conduct outcomes ("**Outcomes**") set out in the MAS Guidelines on Individual Accountability and Conduct issued on 10 September 2020. These five Outcomes and the specific guidance underpinning each Outcome aim to reinforce financial institutions' responsibilities in the following three key areas:

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

## ***Fair Dealing***

As an exempt financial adviser, Great Eastern Life is subject to the Guidelines on Fair Dealing – Board and Senior Management Responsibilities for Delivering Fair Dealing Outcomes to Customers (the “**Fair Dealing Guidelines**”) which applies to the selection, marketing and distribution of investment products, which includes life insurance policies. The Fair Dealing Guidelines set out the responsibilities of the board of directors and senior management for delivering fair dealing outcomes to customers.

The Fair Dealing Guidelines sets out five fair dealing outcomes which financial institutions should aim to achieve as well as practical steps which financial institutions can implement for this purpose. These five fair dealing outcomes are:

- (a) Outcome 1: Customers have confidence that they deal with financial institutions where fair dealing is central to the corporate culture.
- (b) Outcome 2: Financial institutions offer products and services that are suitable for their target customer segments.
- (c) Outcome 3: Financial institutions have competent representatives who provide customers with quality advice and appropriate recommendations.
- (d) Outcome 4: Customers receive clear, relevant and timely information to make informed financial decisions.
- (e) Outcome 5: Financial institutions handle customer complaints in an independent, effective and prompt manner.

On 14 December 2022, the MAS published a Consultation Paper on Revisions to Guidelines on Fair Dealing – Board and Senior Management Responsibilities for Delivering Fair Dealing Outcomes to Customers proposing to widen the scope of its application to include all products and services offered by all financial institutions to their customers. The MAS has also proposed to incorporate key principles and guidance on fair treatment of customers at various stages of the customer journey to strengthen financial institutions fair dealing practices. These key principles are (i) transparency; (ii) consideration of customer interests; and (iii) accountability and product governance and will be applicable to all products and services offered by all financial institutions.

## ***Proposed amendments to the Insurance Act***

The MAS has on 4 November 2022 published a Consultation Paper on Amendments to the Insurance Act and the Insurance (Intermediaries) Regulations proposing amendments to the Insurance Act to take into account regulatory and market developments, as well as to align where appropriate, the regulatory framework for insurance with other financial activities regulated by the MAS (the “**IA Consultation Paper**”). The MAS has proposed to introduce a policy to regulate the conduct of and investment in insurance and non-insurance businesses by insurers in Singapore (the “**anti-commingling policy**”). The anti-commingling policy is intended to ensure insurers remain focused on their core insurance business and competencies and to avoid potential contagion from the conduct of non-insurance businesses. The general thrust of the anti-commingling policy will be to prohibit insurers from: (a) directly undertaking businesses other than insurance business and permissible businesses; (b) using or sharing their names, logos or trademarks on or with physical infrastructure or any other entities; and (c) acquiring or holding a major stake in any corporation with the prior approval of the MAS. The MAS has also proposed to introduce powers in the Insurance Act to strengthen its oversight of outsourcing arrangements of insurers and to require insurers to restate their insurance funds for participating and investment-linked policies. On 20 March 2024, the MAS published the Response Paper to the IA

Consultation Paper stating that the MAS will, where appropriate, incorporate the feedback received on the proposals into the amendments that will be made to the Insurance Act 1966 and the Insurance (Intermediaries) Regulations, and that they will consult on the proposed amendments wordings for both statutory instruments at a later stage.”

## SCHEDULE 2

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

Conditions 6(b), 6(d) and 6(e) of the section “**TERMS AND CONDITIONS OF THE NOTES OTHER THAN THE PERPETUAL CAPITAL SECURITIES**” beginning on page 141 of the Offering Memorandum shall be deleted in their entirety (including the sub-headers) and substituted therefor with the following:

“

(b) **Write-off on a Trigger Event:**

- (i) If “Write-off” is specified as the Loss Absorption Option in the applicable Pricing Supplement for any Subordinated Notes and if a Trigger Event occurs, the Issuer shall, upon the issue of a Trigger Event Notice, irrevocably and without the need for the consent of the Trustee or the holders of any Subordinated Notes, procure that the Registrar shall reduce the principal amount and cancel any accrued but unpaid interest of each Subordinated Note (in whole or in part) by an amount equal to the Trigger Event Write-off Amount per Subordinated Note (a “**Write-off**”, and “**Written-off**” shall be construed accordingly). Once any principal or interest under a Subordinated Note has been Written-off, it will be extinguished and will not be restored in any circumstances, including where the relevant Trigger Event ceases to continue. No Noteholder may exercise, claim or plead any right to any Trigger Event Write-off Amount, and each Noteholder shall be deemed to have waived all such rights to such Trigger Event Write-off Amount. For the avoidance of doubt, any Write-off in accordance with this Condition 6 shall not constitute a Default (as defined below).
- (ii) If a Trigger Event Notice has been given in respect of any Subordinated Notes in accordance with this Condition 6(b), transfers of any such Subordinated Notes that are the subject of such notice shall not be permitted during the Suspension Period. From the date on which a Trigger Event Notice in respect of any Subordinated Notes in accordance with this Condition 6(b) is issued by the Issuer to the end of the Suspension Period, the Trustee and the Registrar shall not register any attempted transfer of any Subordinated Notes and such an attempted transfer will not be effective.
- (iii) Any reference in these Conditions to principal in respect of the Subordinated Notes shall refer to the principal amount of the Subordinated Note(s), reduced by any applicable Write-off(s).

*Any Write-off of Subordinated Notes or any cancellation, modification, conversion or change in form as a result of the exercise of the MAS’s powers under Division 6 of Part 8 of the FSM Act is subject to the availability of procedures to effect the Write-off in the relevant clearing systems. For the avoidance of doubt, however, any Write-off of any Subordinated Notes, or the giving of effect of a Bail-in Certificate with respect to the Issuer, under this Condition 6 will be effective upon the date that the Issuer specifies in the Trigger Event Notice or in the notice of issue of a Bail-in Certificate (or as may otherwise be notified in writing to Subordinated Noteholders, the Trustee and Agents by the Issuer) notwithstanding any inability to operationally effect any such Write-off or cancellation, modification, conversion or change in form as a result of the exercise of the MAS’s powers under Division 6 of Part 8 of the FSM Act in the relevant clearing system(s).*

(d) **Bail-in Power in respect of Subordinated Notes:**

Notwithstanding any other term of the Subordinated Notes, including without limitation Condition 6(b), or any other agreement or arrangement, the Subordinated Notes may be subject to cancellation, modification, conversion, change in form, or have the effect as if a right of modification, conversion, or change of form had been exercised by the MAS in the exercise of the MAS's powers under Division 6 of Part 8 of the FSM Act without prior notice. The Trustee (on behalf of the holders of Subordinated Notes) and each holder of a Subordinated Note shall be subject, and shall be deemed to agree, to be bound by and acknowledge that they are each subject to, having the Subordinated Notes being the subject of the exercise of the MAS's powers under Division 6 of Part 8 of the FSM Act. Further, the Trustee (on behalf of the holders of Subordinated Notes) and each holder of a Subordinated Note shall be deemed to agree to be bound by a Bail-in Certificate.

The rights of the holders of Subordinated Notes and the Trustee (on behalf of the holders of Subordinated Notes) under the Subordinated Notes and these Conditions are subject to, and will be amended and varied (if necessary), solely to give effect to, the exercise of the MAS's powers under Division 6 of Part 8 of the FSM Act.

No repayment of any outstanding principal amount of any Subordinated Notes or payment of any interest on any Subordinated Notes shall become due and payable or be paid after the exercise of the MAS's powers under Division 6 of Part 8 of the FSM Act unless, at the time that such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer under the laws and regulations applicable to the Issuer.

Upon the issue of a Bail-in Certificate with respect to the Subordinated Notes, the Issuer shall provide written notice of such Bail-in Certificate to the holders of Subordinated Notes and the Trustee in accordance with Condition 16 not more than two Business Days after the issue of such Bail-in Certificate.

Neither the cancellation, modification, conversion or change in form of the Subordinated Notes as a result of the exercise of the MAS's powers under Division 6 of Part 8 of the FSM Act with respect to the Issuer or the Subordinated Notes shall constitute a Default under Condition 10(b).

(e) **Definitions**

In this Condition 6:

**"Bail-in Certificate"** means a bail-in certificate issued pursuant to Section 84(1) of the FSM Act;

**"Common Equity Tier 1 Capital"** means:

- (i) any security issued by the Issuer; or
- (ii) any other similar instrument issued by any subsidiary of the Issuer, that, in each case, constitutes Common Equity Tier 1 Capital of the Issuer, on an unconsolidated basis, pursuant to the relevant requirements set out in MAS Notice 637;

**"FSM Act"** means the Financial Services and Markets Act 2022 of Singapore, as amended;

**"Loss Absorption Option"** means such loss absorption option as may be specified in the applicable Pricing Supplement in respect of any Subordinated Notes;

**"Trigger Event"** means the earlier of:

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

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

**“Trigger Event Notice”** means the notice specifying that a Trigger Event has occurred, which shall be issued by the Issuer not more than two Business Days after the occurrence of a Trigger Event to the holders of the Subordinated Notes, the Trustee and the Issuing and Paying Agent in accordance with Condition 16 and which shall state with reasonable detail the nature of the relevant Trigger Event and, if applicable, specify, as applicable (A) the Trigger Event Write-off Amount per Subordinated Note to be Written-off or (B) details of any conversion consistent with any mechanics specified in the applicable Pricing Supplement. For the purposes of this definition, a Trigger Event Notice shall be deemed to be delivered on a Business Day if it is received by the Trustee at its principal place of business and by the Issuing and Paying Agent and the Registrar at their respective specified offices during normal business hours; and

**“Trigger Event Write-off Amount”** means the amount of interest and/or principal to be Written-off, as the MAS may direct, or as the Issuer (in accordance with the MAS) determines is required to be Written-off for the Trigger Event to cease to continue. For the avoidance of doubt, the Write-off will be effected in full even in the event that the amount Written-off is not sufficient for the Trigger Event to cease to continue.”

### SCHEDULE 3

#### FIRST-QUARTER TRADING UPDATE

#### FOR THE THREE MONTHS/ FIRST QUARTER ENDED 31 MARCH 2024

#### PRESENTATION OF FINANCIAL INFORMATION

On 10 May 2024, OCBC published its “Trading Update” that included certain of its unaudited consolidated financial results for the three months/first quarter ended 31 March 2024 (the “**First-quarter Trading Update**”). The First-quarter Trading Update is included hereto as Schedule 3.

The First-quarter Trading Update has not been audited, reviewed or subject to any other procedures by the auditors of the Issuer.

# First Quarter 2024 Results Press Release

## OCBC Group First Quarter 2024 Net Profit Rose 22% from the Previous Quarter to a Record S\$1.98 billion

Singapore, 10 May 2024 – Oversea-Chinese Banking Corporation Limited (“OCBC”) reported net profit of S\$1.98 billion for the first quarter of 2024 (“1Q24”), 22% higher than S\$1.62 billion in the previous quarter (“4Q23”), and 5% above S\$1.88 billion a year ago (“1Q23”).

The Group’s resilient quarter-on-quarter performance was driven by total income rising to a new quarterly high, strict cost discipline and lower allowances. Income growth outpaced the increase in operating expenses, which drove an improvement in cost-to-income ratio (“CIR”) to 37.1%, while credit costs decreased to 16 basis points. Loans grew 1% and asset quality was sound with non-performing loan (“NPL”) ratio steady at 1.0%. The Group’s capital, funding and liquidity positions remained robust, providing flexibility to support business growth and handle uncertainties. Return on equity climbed to 14.7% and earnings per share was higher at S\$1.76, on an annualised basis.

### 1Q24 Performance Highlights

			YoY	QoQ	
<b>Group Net Profit</b>	<b>S\$1.98b</b>	+5% YoY			
		+22% QoQ			
		<b>Total Income</b>	<b>S\$3.63b</b>	+8%	+11%
		Net Interest Income	S\$2.44b	+4%	-1%
		Non-Interest Income	S\$1.19b	+17%	+47%
<b>Banking Operations Net Profit</b>	<b>S\$1.72b</b>	+3% YoY			
		+15% QoQ			
		<b>Operating Expenses</b>	<b>S\$1.35b</b>	+8%	+3%
		<b>Net Interest Margin</b>	<b>2.27%</b>	-3bps	-2bps
		<b>Credit Costs</b>	<b>16bps</b>	+4bps	-5bps
		<b>Customer Loans</b>	<b>S\$301b</b>	+2%	+1%
		<b>Customer Deposits</b>	<b>S\$370b</b>	+1%	+2%
		<b>NPL Ratio</b>	<b>1.0%</b>	-0.1ppt	unchanged
		<b>CET1 CAR</b>	<b>16.2%</b>	+0.3ppt	+0.3ppt
		<b>All-ccy LCR</b>	<b>146%</b>	-6ppt	+1ppt
<b>EPS (annualised)</b>	<b>S\$1.76</b>	+5% YoY			
		+24% QoQ			
<b>ROE (annualised)</b>	<b>14.7%</b>	unchanged YoY			
		+2.3ppt QoQ			

## First Quarter 2024 Performance

S\$ million	1Q24	1Q23	YoY (%)	4Q23	QoQ (%)
Net interest income	<b>2,437</b>	2,338	4	2,462	(1)
Non-interest income	<b>1,189</b>	1,012	17	811	47
<i>of which: Fees and commissions</i>	<b>479</b>	453	6	460	4
<i>Trading income</i>	<b>370</b>	255	45	222	67
<i>Income from life and general insurance</i>	<b>289</b>	238	21	88	227
<b>Total income</b>	<b>3,626</b>	3,350	8	3,273	11
Operating expenses	<b>(1,346)</b>	(1,244)	8	(1,310)	3
<b>Operating profit before allowances</b>	<b>2,280</b>	2,106	8	1,963	16
Allowances	<b>(169)</b>	(110)	53	(187)	(9)
Amortisation, tax and NCI	<b>(384)</b>	(377)	2	(343)	12
Associates	<b>255</b>	260	(2)	189	35
<b>Group net profit</b>	<b>1,982</b>	1,879	5	1,622	22
<b>Group ROE – annualised</b>	<b>14.7%</b>	14.7%	–	12.4%	+2.3ppt

### 1Q24 Quarter-on-Quarter Performance

Group net profit rose 22% to S\$1.98 billion, underpinned by record total income, well-controlled costs and lower allowances.

- Net interest income was S\$2.44 billion, 1% below 4Q23's record level, largely due to the effect of a comparatively shorter quarter. On a day-adjusted basis, net interest income was steady against the preceding quarter. Average assets grew by 1%, which largely compensated for a 2 basis-point moderation in net interest margin ("NIM") to 2.27% as a rise in asset yields was outpaced by higher funding costs.
- Non-interest income rebounded by 47% to S\$1.19 billion.
  - Net fee income was S\$479 million, 4% above the prior quarter. This was largely driven by an increase in wealth management, brokerage and fund management fees on the back of a rise in customer activities, as well as higher investment banking fees.
  - Net trading income surged 67% to a new high, underpinned by record customer flow treasury income as well as improved non-customer flow treasury income.
  - Insurance income was S\$289 million, significantly higher as compared to S\$88 million in 4Q23, supported by better investment performance and improvement in claims experience. Total weighted new sales grew 2% quarter-on-quarter to S\$524 million, driven by higher single premium sales in Singapore, while new business embedded value ("NBEV") was S\$163 million.
- The Group's wealth management income, comprising income from insurance, private banking, premier private client, premier banking, asset management and stockbroking, was a record S\$1.29 billion, 33% above the previous quarter and contributed 36% to the Group's total income. Group wealth management AUM was S\$273 billion, up 4% from S\$263 billion in the previous quarter.

- Operating expenses were S\$1.35 billion, up 3% from a quarter ago, driven by higher staff costs from increase in variable compensation associated with income growth. The rise in expenses was outpaced by an 11% growth in total income, which drove CIR lower to 37.1%.
- Total allowances declined 9% from the prior quarter to S\$169 million.
- Share of results of associates rose 35% to S\$255 million, from S\$189 million in 4Q23.

### **1Q24 Year-on-Year Performance**

Group net profit increased 5% from a year ago, driven by an 8% rise in operating profit.

- Net interest income rose 4% from the previous year, led by a 5% growth in average assets, which more than compensated for a 3 basis-point decline in NIM, as rising funding costs offset the higher asset yields.
- Non-interest income was S\$1.19 billion, 17% above the previous year, underpinned by improvement in fee, trading and insurance income.
- Operating expenses grew 8% from 1Q23 to S\$1.35 billion, as the Group continued to invest in its franchise and people to support business expansion.
- Total allowances were S\$169 million, higher as compared to S\$110 million a year ago, mainly due to increased allowances for impaired assets.
- Share of results of associates of S\$255 million was 2% below 1Q23.

## Asset Quality and Allowances

S\$ million	Mar 2024	Mar 2023	Dec 2023	YoY	QoQ
Non-performing assets (NPAs)	<b>3,040</b>	3,329	2,901	-9%	+5%
Non-performing loan (NPL) ratio	<b>1.0%</b>	1.1%	1.0%	-0.1ppt	–
Total NPA coverage	<b>146%</b>	121%	151%	+25ppt	-5ppt
<b>Allowances (S\$ million)</b>	<b>1Q24</b>	<b>1Q23</b>	<b>4Q23</b>		
Allowances for loans and other assets	<b>169</b>	110	187		
<i>of which: Impaired</i>	<b>180</b>	56	5		
<i>Non-impaired</i>	<b>(11)</b>	54	182		
<b>Credit costs (bps) <sup>1/</sup></b>	<b>1Q24</b>	<b>1Q23</b>	<b>4Q23</b>		
Total loans	<b>16</b>	12	21		
<i>of which: Impaired loans</i>	<b>18</b>	5	(0)		

1/ Credit costs refer to allowances for loans as a percentage of average loans, on annualised basis.

- Total NPAs were S\$3.04 billion as at 31 March 2024, a drop of 9% from a year ago. Compared to the previous quarter, NPAs were 5% higher as net recoveries/ upgrades and write-offs were offset by new corporate NPA formation.
- NPL ratio was 1.0%, stable against the previous quarter and lower than 1.1% in the prior year. The allowance coverage for total NPAs was 146%.
- Total allowances were S\$169 million in 1Q24. These comprised allowances for impaired assets of S\$180 million, and write-back in allowances for non-impaired assets of S\$11 million.
- Total credit costs for 1Q24 were an annualised 16 basis points.

## Strong Funding, Liquidity and Capital Position

S\$ billion	Mar 2024	Mar 2023	Dec 2023	YoY	QoQ
Loans	<b>301</b>	294	297	+2%	+1%
% $\Delta$ in constant currency terms				+2%	+1%
Deposits	<b>370</b>	367	364	+1%	+2%
of which: CASA deposits	<b>175</b>	173	177	+2%	-1%
CASA ratio	<b>47.4%</b>	47.1%	48.7%	+0.3ppt	-1.3ppt
CET1 CAR	<b>16.2%</b>	15.9%	15.9%	+0.3ppt	+0.3ppt
Leverage ratio	<b>7.3%</b>	7.3%	7.2%	–	+0.1ppt

- Customer loans were S\$301 billion as at 31 March 2024, up 2% from the previous year in constant currency terms. Compared to the prior quarter, customer loans were 1% higher.
  - Loan growth of S\$4 billion for the quarter was supported by an increase in both corporate and consumer loans. By geography, the expansion in loans was led by growth in Singapore.
  - As at 31 March 2024, sustainable financing loans grew 34% from a year ago to S\$43.1 billion, against a total loan commitment of S\$60.5 billion.
- Customer deposits increased 1% quarter-on-quarter in constant currency terms to S\$370 billion, in tandem with loan growth.
- Loans-to-deposits ratio was 80.3%, higher than 79.2% a year ago and comparable to 80.5% in the previous quarter.
- Group CET1 CAR was 16.2%, while the leverage ratio was 7.3%.

## Message from Group CEO, *Helen Wong*

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“We are pleased to start the year on a strong footing with robust first quarter results. We achieved record net profit which lifted return on equity higher, underpinned by income growth and strict cost discipline. Asset quality remained sound and we prudently maintained our credit allowances. Our performance was driven by the deep synergies across banking, wealth management and insurance. This demonstrates the ability of our diversified franchise to deliver resilient earnings growth towards achieving our strategic priorities.

While some recent economic indicators are looking more favourable, near-term risks remain, such as heightening geopolitical volatility arising from ongoing wars and the outcome of a number of key elections this year. Our key markets in Asia are expected to be resilient, benefitting from increasing capital flows and supply chain diversification. Our healthy balance sheet position provides us the flexibility to manage uncertainties, and capacity for growth as we continue to support our customers across our network.”

## FINANCIAL HIGHLIGHTS (unaudited)

S\$ million	1Q24	1Q23	+/(-) %	4Q23	+/(-) %
<b>Selected Income Statement Items</b>					
Net interest income	2,437	2,338	4	2,462	(1)
Non-interest income	1,189	1,012	17	811	47
Total income	3,626	3,350	8	3,273	11
Operating expenses	(1,346)	(1,244)	8	(1,310)	3
Operating profit before allowances and amortisation	2,280	2,106	8	1,963	16
Amortisation of intangible assets	(25)	(25)	(1)	(26)	(5)
Allowances for impaired assets	(180)	(56)	223	(5)	nm
Allowances write-back/(charge) for non-impaired assets	11	(54)	nm	(182)	nm
Operating profit after allowances and amortisation	2,086	1,971	6	1,750	19
Share of results of associates, net of tax	255	260	(2)	189	35
Profit before income tax	2,341	2,231	5	1,939	21
<b>Net profit attributable to equity holders</b>	<b>1,982</b>	<b>1,879</b>	<b>5</b>	<b>1,622</b>	<b>22</b>
<b>Cash basis net profit attributable to equity holders <sup>1/</sup></b>	<b>2,007</b>	<b>1,904</b>	<b>5</b>	<b>1,648</b>	<b>22</b>
<b>Selected Balance Sheet Items</b>					
Ordinary equity	55,170	52,027	6	52,920	4
Equity attributable to equity holders of the Bank	56,870	53,727	6	54,170	5
Total assets	597,177	565,808	6	581,424	3
Assets excluding investment securities and other assets for life insurance funds	498,004	472,056	5	483,907	3
Net loans to customers	296,932	290,471	2	292,754	1
Deposits of non-bank customers	369,841	366,850	1	363,770	2
Goodwill and other intangible assets	4,517	4,594	(2)	4,501	–
<b>Selected Changes in Equity Items</b>					
Total comprehensive income, net of tax	2,152	1,302	65	2,210	(3)
Dividends and distributions	(15)	(23)	(33)	(10)	58
<b>Key Financial Ratios (%)</b>					
Return on equity <sup>2/</sup>	14.7	14.7		12.4	
Return on assets <sup>2/</sup>	1.64	1.63		1.33	
Net interest margin <sup>2/</sup>	2.27	2.30		2.29	
Non-interest income to total income	32.8	30.2		24.8	
Cost-to-income	37.1	37.1		40.0	
Loans-to-deposits	80.3	79.2		80.5	
NPL ratio	1.0	1.1		1.0	
Common Equity Tier 1 capital adequacy ratio	16.2	15.9		15.9	
Tier 1 capital adequacy ratio	16.9	16.7		16.5	
Total capital adequacy ratio	18.4	18.4		18.1	
Leverage ratio	7.3	7.3		7.2	
Singapore dollar liquidity coverage ratio	292	390		355	
All-currency liquidity coverage ratio	146	152		145	
Net stable funding ratio	115	120		116	
<b>Earnings per share (S\$) <sup>2/</sup></b>					
Basic earnings	1.76	1.68		1.42	
Diluted earnings	1.76	1.68		1.42	
<b>Net asset value per share (S\$)</b>	<b>12.27</b>	<b>11.58</b>		<b>11.77</b>	

For notes on the computation of the above ratios, information can be found in the Financial Highlights disclosed on a half-yearly basis.

1. Excludes amortisation of intangible assets.

2. Computed on an annualised basis.

## Further Information

For more information, please visit [www.ocbc.com](http://www.ocbc.com) or contact:

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**OCBC** Financial Results

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

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

The Notes (other than Notes which are specified in the applicable Pricing Supplement as being denominated in Australian dollars, issued in the Australian domestic capital market and ranking as senior obligations of the Issuer (“AMTNs”)) are constituted by an amended and restated trust deed (as amended or supplemented as at the date of issue of the Notes (the “Issue Date”)) dated 18 April 2024 (the “Trust Deed”) between Oversea-Chinese Banking Corporation Limited (“OCBC”) (as may be acceded to by any branch of OCBC outside Singapore and Specified Issuers (as defined below) from time to time by the execution of a deed of accession in respect of Senior Notes (as defined below) only) and The Bank of New York Mellon, London Branch (the “Trustee”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below) and, if the Notes are specified in the applicable Pricing Supplement as being governed by Singapore law, as supplemented by the Singapore supplemental trust deed (as amended or supplemented as at the Issue Date) dated 18 April 2024 between OCBC (as may be acceded to by any branch of OCBC outside Singapore and Specified Issuers from time to time by the execution of a deed of accession in respect of Senior Notes only) and the Trustee (the “Singapore Supplemental Trust Deed”), and where applicable, the Notes which are specified in the applicable Pricing Supplement to be held in and cleared through The Central Depository (Pte) Limited (“CDP”) are issued with the benefit of a deed of covenant dated 31 August 2012, as supplemented on 9 March 2018, relating to the Notes executed by OCBC (and as further amended, varied or supplemented from time to time, the “CDP Deed of Covenant”). AMTNs will be constituted by the Deed Poll dated 5 July 2011 (as amended and supplemented from time to time, the “Note (AMTN) Deed Poll”). The provisions of these Conditions (as defined below) relating to Bearer Notes, Certificates, Receipts, Coupons and Talons do not apply to Notes specified in the Pricing Supplement as being AMTNs. The Trustee is not appointed in respect of AMTNs, therefore, to the extent that these Conditions relate to AMTNs, any reference herein to the agreement, opinion, approval, consent, satisfaction or any similar action or decision (however described) being specified or required of, from, by or on the part of the Trustee with respect to any Notes or documents, such agreement, opinion, approval, consent, satisfaction or any similar action or decision (however described) of the Trustee shall not be required in respect of any such AMTNs, the Note (AMTN) Deed Poll or any other document or agreement in connection with them and, where relevant, any other documents expressed to be applicable to a tranche of Notes.

These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Receipts, Coupons and Talons defined and referred to below. OCBC (and any other branches of OCBC outside Singapore and Specified Issuers which may from time to time accede to the Agency Agreement (as defined below) by the execution of a deed of accession in respect of Senior Notes only), the Trustee, The Bank of New York Mellon, London Branch, as initial issuing and paying agent in relation to each Series of Notes other than AMTNs or any Series of Notes to be held through CDP, in the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority (the “**CMU**”) or through The Depository Trust Company (“**DTC**”), The Bank of New York Mellon, Hong Kong Branch as initial CMU lodging and paying agent in relation to each Series of Notes to be held in CMU, The Bank of New York Mellon, Singapore Branch as initial CDP paying agent in relation to each Series of Notes to be held in CDP, The Bank of New York Mellon, as issuing and paying agent, exchange agent and transfer agent and registrar in respect of each Series of Notes to be cleared through DTC and the other agents named therein have entered into an amended and restated agency agreement (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”) dated 18 April 2024 in relation to the Notes (other than AMTNs) and, if the Notes are specified in the applicable Pricing Supplement as being governed by Singapore law, as supplemented by the Singapore supplemental agency agreement (as amended and supplemented as at the Issue Date) dated 18 April 2024 between the Issuer, the CDP paying agent and the other agents named therein (the “**Singapore Supplemental Agency Agreement**”). OCBC and BTA Institutional Services Australia Limited as registrar and issuing and paying agent in Australia (the “**Australian Agent**”) have entered into an Agency and Registry Services Agreement (as amended and supplemented from time to time, the “**Australian Agency Agreement**”) dated 5 July 2011 in relation to the AMTNs. The issuing and paying agent, the CMU lodging and paying agent, the CDP paying agent, the U.S. paying agent, the exchange agent, the other paying agents, the registrar, the Australian agent, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Issuing and Paying Agent**”, the “**CMU Lodging and Paying Agent**”, the “**CDP Paying Agent**”, the “**U.S. Paying Agent**”, the “**Exchange Agent**”, the “**Paying Agents**” (which expression shall include the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent and the Australian Agent), the “**Registrar**”, the “**Australian Agent**”, the “**Transfer Agents**” (which expression shall include the Registrar and the Australian Agent) and the “**Calculation Agent(s)**”. For the purposes of these Conditions, all references (other than in relation to the determination of interest and other amounts payable in respect of the Notes) to the Issuing and Paying Agent shall (i) with respect to a Series of Notes to be held in CMU, be deemed to be a reference to the CMU Lodging and Paying Agent, (ii) with respect to a Series of Notes to be held in CDP, be deemed to be a reference to the CDP Paying Agent and (iii) with respect to a Series of Notes to be held in DTC, be deemed to be a reference to the U.S. Paying Agent and all such references shall be construed accordingly. Copies of the Trust Deed, the Singapore Supplemental Trust Deed, the Note (AMTN) Deed Poll, the Agency Agreement, the Singapore Supplemental Agency Agreement, the Australian Agency Agreement and the CDP Deed of Covenant referred to above are available for inspection free of charge during usual business hours at the principal office of the Trustee (presently at 160 Queen Victoria Street, London, EC4V 4LA, United Kingdom) and at the specified offices of the Paying Agents and the Transfer Agents (other than the Australian Agent) upon prior written request and satisfactory proof of holding. The Note (AMTN) Deed Poll will be held by the Australian Agent and copies of the Note (AMTN) Deed Poll and the Australian Agency Agreement referred to above are available for inspection free of charge during usual business hours at the principal office of the Australian Agent (presently at Level 2, 1 Bligh Street, Sydney, NSW 2000, Australia) upon prior written request and satisfactory proof of holding.

The Noteholders, the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Notes in bearer form and, where specified in the applicable Pricing Supplement, talons for further Coupons (the “**Talons**”) (the “**Couponholders**”) and the holders of the receipts for the payment of instalments of principal (the “**Receipts**”) relating to Notes in bearer form of which the principal is payable in instalments (the “**Receiptholders**”) are entitled to the benefit of, are bound by, and are

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

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

## **1 Form, Denomination and Title**

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

*All Registered Notes shall have the same Specified Denomination. Unless otherwise permitted by the then current laws and regulations, Notes which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 will have a minimum denomination of £100,000 (or its equivalent in other currencies). Notes sold in reliance on Rule 144A will be in minimum denominations of U.S.\$200,000 (or its equivalent in other currencies) and integral multiples of U.S.\$1,000 (or its equivalent in other currencies) in excess thereof, subject to compliance with all legal and/or regulatory requirements applicable to the relevant currency. Notes which are listed on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time. In the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or in the United Kingdom or offered to the public in a Member State of the European Economic Area or in the United Kingdom in circumstances which require the publication of a prospectus under Regulation (EU) 2017/1129 (as amended or superseded) or Regulation (EU) 2017/1129 as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, the minimum Specified Denomination shall be €100,000 or £100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## **2 No Exchange of Notes and Transfers of Registered Notes**

### **No Exchange of Notes**

Registered Notes may not be exchanged for Bearer Notes. Bearer Notes may not be exchanged for Registered Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination.

### **Transfer of Registered Notes (other than AMTNs)**

This Condition 2(b) does not apply to AMTNs which are specified in the applicable Pricing Supplement to be Registered Notes. Subject to Condition 2(g), one or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in

the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may require without service charge and subject to payment of any taxes, duties and other governmental charges in respect of such transfer. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

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

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

#### **Exercise of Options or Partial Redemption, Write-off or Conversion in Respect of Registered Notes**

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

#### **Delivery of New Certificates**

Each new Certificate to be issued pursuant to Condition 2(b) or Condition 2(c) shall be available for delivery within five business days of receipt of the request for transfer, exercise, redemption or exchange, form of transfer or Exercise Notice (as defined in Condition 5(e)) and surrender of the Certificate for transfer, exercise or redemption, except for any Write-off pursuant to Condition 6 or conversion (if specified and as described in the applicable Pricing Supplement) in which case any new Certificate to be issued shall be available for delivery as soon as reasonably practicable. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for transfer, exercise, redemption or exchange, form of transfer, Exercise Notice and/or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder

requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), “**business day**” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

### **Transfers of AMTNs**

AMTNs may be transferred in whole but not part. Unless lodged in the clearing system operated by Austraclear Ltd (“**Austraclear**”), the AMTNs will be transferable by duly completed and (if applicable) stamped transfer and acceptance forms in the form specified by, and obtainable from, the Australian Agent or by any other manner approved by the Issuer and the Australian Agent. Each transfer and acceptance form must be accompanied by such evidence (if any) as the Australian Agent may require to prove the title of the transferor or the transferor’s right to transfer the AMTNs and be signed by both the transferor and the transferee. AMTNs may only be transferred within, to or from Australia if (i) the aggregate consideration payable by the transferee at the time of transfer is at least A\$500,000 (or its equivalent in any other currency and, in either case, disregarding monies lent by the transferor or its associates) or the offer or invitation giving rise to the transfer otherwise does not require disclosure to investors in accordance with Part 6D.2 or Chapter 7 of the Corporations Act 2001 of the Commonwealth of Australia (the “**Australian Corporations Act**”), (ii) the transfer is not to a “retail client” for the purposes of section 761G of the Australian Corporations Act, (iii) the transfer is in compliance with all applicable laws, regulations or directives (including, without limitation, in the case of a transfer to or from Australia, the laws of the jurisdiction in which the transfer takes place), and (iv) in the case of a transfer between persons outside Australia, if a transfer and acceptance form is signed outside Australia. A transfer to an unincorporated association is not permitted.

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

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

### **Transfers Free of Charge**

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

## Closed Periods

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

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

- (a) the date on which the Registrar or any other Agent has (A) reflected the relevant Write-off or conversion (if and as specified in the applicable Pricing Supplement) in the Register or (B) issued a new Certificate (as the case may be) to such Noteholder in respect of the related Write-off or conversion (if and as specified in the applicable Pricing Supplement); and
- (b) on the tenth business day in Singapore immediately following the date of any such notice, or
- (c) in the event that a Bail-in Certificate has been issued, when the Bail-in Certificate has been effected.

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

## 3 Status

### Status of Senior Notes

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

### Status of Subordinated Notes

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

## Subordination

Upon the occurrence of any winding-up proceeding (other than pursuant to a Permitted Reorganisation (as defined below)), the rights of the Noteholders to the payment of the principal of, and interest on, the Subordinated Notes and any other obligations in respect of the Subordinated Notes are expressly subordinated and subject in right of payment to the prior payment in full of all claims of Senior Creditors, and will rank senior to the claims of the holders of all share capital of the Issuer and Additional Tier 1 Capital Securities and/or as otherwise specified in the applicable Pricing Supplement or in a supplement to the Offering Memorandum. The Subordinated Notes will rank *pari passu* with Tier 2 Capital Securities and/or as otherwise specified in the applicable Pricing Supplement or in a supplement to the Offering Memorandum and any instrument or security issued, entered into or guaranteed by the Issuer that ranks or is expressed to rank, by its terms or operation of law, *pari passu* with a Subordinated Note. In the event that (i) the Noteholders do not receive payment in full of the principal amount due and payable in respect of the Subordinated Notes plus interest thereon accrued to the date of repayment in any winding-up of the Issuer and (ii) the winding-up order or resolution passed for the winding-up of the Issuer or the dissolution of the Issuer is subsequently stayed, discharged, rescinded, avoided, annulled or otherwise rendered inoperative, then to the extent that such Noteholders did not receive payment in full of such principal of and interest on such Subordinated Notes, such unpaid amounts shall remain payable in full; provided that payment of such unpaid amounts shall be subject to the provisions under this Condition 3, Condition 6 and Condition 10(b)(ii) and Clause 5 and Clause 8.2 of the Trust Deed.

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

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

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

In these Conditions:

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

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

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

**“Offering Memorandum”** means the offering memorandum dated 18 April 2024 relating to, *inter alia*, the Notes (which term shall include those documents incorporated in it by reference from time to time as provided in it) as from time to time amended, supplemented or replaced (but not including any information or documents replaced or superseded by any information so subsequently included or incorporated).

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

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

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

### **Set-off and Payment Void**

No Noteholder of Subordinated Notes may exercise, claim or plead any right of set-off, counterclaim or retention in respect of any amount owed to it by the Issuer arising under or in connection with the Subordinated Notes. Each Noteholder shall, by acceptance of any Subordinated Note, be deemed to have waived all such rights of set-off, counterclaim or retention to the fullest extent permitted by law. If at any time any Noteholder receives payment or benefit of any sum in respect of the Subordinated Notes (including any benefit received pursuant to any such set-off, counter-claim or retention) other than in accordance with the provisions in the second paragraph of Condition 10(b)(ii) and Clause 8.2.2 of the Trust Deed, the payment of such sum or receipt of such benefit shall, to the fullest extent permitted by law, be deemed void for all purposes and such Noteholder, by acceptance of such Subordinated Note, shall agree as a separate and independent obligation that any such sum or benefit so received shall forthwith be paid or returned in full by such Noteholder to the Issuer upon demand by the Issuer or, in the event of the winding-up of the Issuer, the liquidator of the Issuer, whether or not such payment or receipt shall have been deemed void under the Trust Deed. Any sum so paid or returned shall then be treated for the purposes of the Issuer’s obligations as if it had not been paid by the Issuer, and its original payment shall be deemed not to have discharged any of the obligations of the Issuer under the Subordinated Notes.

## **4 Interest and other Calculations**

### **(a) Interest on Fixed Rate Notes:**

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

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

***Interest Payment Dates***

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

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

***Business Day Convention***

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

***Rate of Interest for Floating Rate Notes***

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

(A) ISDA Determination for Floating Rate Notes

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

- (w) the Floating Rate Option is as specified in the applicable Pricing Supplement;
- (x) the Designated Maturity is a period specified in the applicable Pricing Supplement;
- (y) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the applicable Pricing Supplement; and
- (z) if the Floating Rate Option is an Overnight Floating Rate Option:
  - (1) Compounding with Lookback is applicable if specified in the applicable Pricing Supplement;
  - (2) Compounding with Observation Period Shift is applicable if specified in the applicable Pricing Supplement and, if so, Set-in-Advance is applicable if specified as such in the applicable Pricing Supplement;
  - (3) Compounding with Lockout is applicable if specified in the applicable Pricing Supplement; or
  - (4) OIS Compounding is applicable if specified in the applicable Pricing Supplement; and
  - (5) in connection with the Overnight Rate Compounding Method, references in the ISDA Definitions to numbers, financial centres or other items specified in the Confirmation shall be deemed to be references to the numbers, financial centres or other items specified for such purpose in the applicable Pricing Supplement and references in the ISDA Definitions to “Calculation Period”, “Floating Rate Day Count Fraction”, “Period End Date”, “Termination Date” and “Effective Date” shall be deemed to be references to the relevant Interest Accrual Period, the Day Count Fraction, the relevant Interest Period Date, the final Interest Period Date and the Interest Commencement Date respectively.

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

- (B) Screen Rate Determination for Floating Rate Notes where the Reference Rate is not specified as being SONIA Benchmark, SOFR Benchmark or SORA Benchmark
- (x) Where Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:
- (1) the offered quotation; or
  - (2) the arithmetic mean of the offered quotations,  
  
(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (Brussels time in the case of the Euro Interbank Offered Rate (“**EURIBOR**”) or Hong Kong time in the case of the Hong Kong Interbank Offered Rate (“**HIBOR**”)) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.
- If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Pricing Supplement as being other than EURIBOR or HIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Pricing Supplement.
- (y) If the Relevant Screen Page is not available or if, Condition 4(b)(iii)(B)(x)(1) applies and no such offered quotation appears on the Relevant Screen Page or if Condition 4(b)(iii)(B)(x)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Issuer shall request, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks or, if the Reference Rate is HIBOR, the principal Hong Kong office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the Interest Determination Date in question and such rate shall be notified to the Calculation Agent. If two or more of the Reference Banks provide the Issuer with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
- (z) If Condition 4(b)(iii)(B)(y) applies and the Issuer determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Issuer by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in,

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

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

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

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

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

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

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

where:

“**d**” means the number of calendar days in:

- (1) where “SONIA Observation Lag” is specified as the SONIA Observation Method in the applicable Pricing Supplement, the relevant Interest Accrual Period; or
- (2) where “SONIA Observation Shift” is specified as the SONIA Observation Method in the applicable Pricing Supplement, the relevant SONIA Observation Period;

“**d<sub>o</sub>**” means:

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

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

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

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

“**n<sub>i</sub>**”, for any London Business Day “**i**”, means the number of calendar days from and including such London Business Day “**i**” up to but excluding the following London Business Day;

“**SONIA<sub>i-xLBD</sub>**” means:

- (1) where “SONIA Observation Lag” is specified as the SONIA Observation Method in the applicable Pricing Supplement, in respect of any London Business Day “**i**”, the SONIA Reference Rate for the London Business Day falling “**x**” London Business Days prior to such London Business Day “**i**”; or
- (2) where “SONIA Observation Shift” is specified as the SONIA Observation Method in the applicable Pricing Supplement, in respect of any London Business Day “**i**”, the SONIA Reference Rate for that day;

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

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

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

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

- (I) the Bank of England’s Bank Rate (the **“Bank Rate”**) prevailing at 5.00 p.m. (or, if earlier, close of business) on the relevant London Business Day; plus
- (II) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

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

- (A) how the SONIA Reference Rate is to be determined; or
- (B) any rate that is to replace the SONIA Reference Rate,

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

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

- (I) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest (as specified in the applicable Pricing Supplement) relating to the relevant Interest Accrual Period in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period); or
  - (II) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Accrual Period).
- (y) If SONIA Index (“**SONIA Index**”) is specified in the applicable Pricing Supplement as the relevant SONIA Benchmark, the SONIA Benchmark for each Interest Accrual Period shall be equal to the rate of return of a daily compound interest investment during the SONIA Observation Period corresponding to such Interest Accrual Period (with the daily SONIA rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement) on the Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

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

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

In the formula above:

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

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

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

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

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

“**SONIA Compounded Index<sub>START</sub>**” means the SONIA Compounded Index Value on the date which is “p” London Business Days preceding the first day of such Interest Accrual Period (or in the first Interest Accrual Period, the Interest Commencement Date);

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

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

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

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

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

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

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

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

- (i) SOFR Observation Lag:

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

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

“**SOFR<sub>i-xUSBD</sub>**” for any U.S. Government Securities Business Day “i” in the relevant Interest Accrual Period, is equal to the SOFR reference rate for the U.S. Government Securities Business Day falling the number of Lookback Days prior to that U.S. Government Securities Business Day “i”;

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

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

“**d<sub>o</sub>**” for any Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

“**i**” means a series of whole numbers ascending from one to **d<sub>o</sub>**, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Accrual Period; and

“**n<sub>i</sub>**” for any U.S. Government Securities Business Day “**i**” in the relevant Interest Accrual Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day “**i**” up to (but excluding) the following U.S. Government Securities Business Day for which  $\text{SOFR}_{i \times \text{USBD}}$  applies.

(ii) SOFR Observation Shift:

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

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

“**SOFR<sub>i</sub>**” for any U.S. Government Securities Business Day “**i**” in the relevant SOFR Observation Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day “**i**”;

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

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

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

“**d<sub>o</sub>**” for any SOFR Observation Period, means the number of U.S. Government Securities Business Days in the relevant SOFR Observation Period;

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

“ $n_i$ ” for any U.S. Government Securities Business Day “ $i$ ” in the relevant SOFR Observation Period, means the number of calendar days from (and including) such U.S. Government Securities Business Day “ $i$ ” up to (but excluding) the following U.S. Government Securities Business Day for which  $\text{SOFR}_i$  applies.

(iii) SOFR Payment Delay:

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

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

“ $\text{SOFR}_i$ ” for any U.S. Government Securities Business Day “ $i$ ” in the relevant Interest Accrual Period, is equal to the SOFR reference rate for that U.S. Government Securities Business Day “ $i$ ”;

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

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

“ $d$ ” means the number of calendar days in the relevant Interest Accrual Period;

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

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

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

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

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

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

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

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

- (i) the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Bloomberg Screen SOFRRATE Page; the Secured Overnight Financing Rate published at the SOFR Determination Time as such reference rate is reported on the Reuters Page USDSOFR=; or the Secured Overnight Financing Rate published at the SOFR Determination Time on the SOFR Administrator’s Website; or
- (ii) if the reference rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the SOFR reference rate shall be the reference rate published on the SOFR Administrator’s Website for the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator’s Website; or
- (iii) in the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Pricing Supplement), subject to Condition 4(o), the Rate of Interest shall be:
  - (1) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest (as specified in the applicable Pricing Supplement) relating to the relevant Interest Accrual Period in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Accrual Period); or

- (2) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Notes for the first Interest Accrual Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Accrual Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin and any Maximum Rate of Interest or Minimum Rate of Interest applicable to the first Interest Accrual Period); or
- (iv) if the reference rate specified in (i) above does not appear and a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 4(o) shall apply;

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

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

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

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

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

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

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

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

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

“**SOFR Index<sub>Start</sub>**” means, in respect of an Interest Accrual Period, the SOFR Index value on the date that is five U.S. Government Securities Business Days (or such other number of U.S. Government Securities Business Days specified in the applicable Pricing Supplement) prior to the first day of such Interest Accrual Period;

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

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

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

“**d<sub>c</sub>**” means the number of calendar days in the applicable SOFR Observation Period.

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

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

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

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

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

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

(i) *Rate of Interest for Index Linked Interest Notes*

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

**(c) Zero Coupon Notes**

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

**(d) Credit Linked Notes, Equity Linked Notes and Bond Linked Notes**

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

**(e) Dual Currency Notes**

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

**(f) Partly-Paid Notes**

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

**(g) Accrual of Interest**

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

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

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

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

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

**(i) Calculations**

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

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

**(j) Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts**

The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount specified in the applicable Pricing Supplement, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for the relevant Interest Accrual Period and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any

other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, the Issuer shall cause the calculations to be notified to such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 4(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 4(j) but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

**(k) Determination or Calculation by an agent of the Issuer**

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

**(l) Definitions**

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

**“Business Day”** means:

- (i) if the Specified Currency is not Singapore dollars, Euro or Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (ii) if the Specified Currency is Euro, a day on which the T2 is operating (a **“T2 Business Day”**); and/or
- (iii) if the Specified Currency is Renminbi:
  - (A) and the Notes are cleared through CMU, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong;

- (B) and the Notes are cleared through CDP, a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Singapore and Hong Kong; and
  - (C) the Notes are cleared through Euroclear and Clearstream, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in London;
- (iv) if the Specified Currency is Singapore dollars:
- (A) and the Notes are cleared through CDP, a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore; and
  - (B) the Notes are cleared through Euroclear and Clearstream, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in London; and/or
- (v) in the case of a Specified Currency and/or one or more Business Centres specified in the applicable Pricing Supplement a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such Specified Currency in the Business Centre(s) or, if no Specified Currency is indicated, generally in each of the Business Centres.

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

- (i) if “**Actual/Actual**” or “**Actual/Actual – ISDA**” is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if “**Actual/365 (Fixed)**” is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 365;
- (iii) if “**Actual/360**” is specified in the applicable Pricing Supplement, the actual number of days in the Calculation Period divided by 360;
- (iv) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

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

where:

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

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

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

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

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

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

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

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

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30;

- (vi) if “**Actual/Actual – ICMA**” is specified in the applicable Pricing Supplement:
- (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

- (B) if the Calculation Period is longer than one Determination Period, the sum of:
- (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
  - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

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

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

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

- (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and
- (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)).

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

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

**“Hong Kong dollars”** means the lawful currency of Hong Kong SAR.

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

**“Interest Amount”** means:

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

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

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

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

- (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling (and in such case only if the relevant Reference Rate is not SONIA Benchmark), Hong Kong dollars or Renminbi;
- (ii) the day falling two Business Days in the relevant Financial Centre for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro nor Hong Kong dollars nor Renminbi and if the relevant Reference Rate is not SONIA Benchmark, SOFR Benchmark or SORA Benchmark;
- (iii) the day falling two T2 Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro;
- (iv) (where SONIA Benchmark is specified in the applicable Pricing Supplement as the Reference Rate) the fifth London Business Day (or as otherwise specified in the applicable Pricing Supplement) prior to the last day of each Interest Accrual Period;
- (v) (where SOFR Benchmark is specified in the applicable Pricing Supplement as the Reference Rate and where SOFR Observation Lag or SOFR Observation Shift is specified as applicable in the applicable Pricing Supplement to determine Compounded Daily SOFR or where SOFR Index is specified as applicable in the applicable Pricing Supplement) the fifth U.S. Government Securities Business Day (or as otherwise specified in the applicable Pricing Supplement) prior to the last day of each Interest Accrual Period;
- (vi) (where SOFR Benchmark is specified in the applicable Pricing Supplement as the Reference Rate and where SOFR Payment Delay is specified as applicable in the applicable Pricing Supplement to determine Compounded Daily SOFR) the Interest Period Date at the end of each Interest Accrual Period, *provided* that the Interest Determination Date with respect to the final Interest Accrual Period will be the U.S. Government Securities Business Day immediately following the relevant SOFR Rate Cut-Off Date; and
- (vii) (where SORA Benchmark is specified in the applicable Pricing Supplement as the Reference Rate) the meaning given to it in Conditions 4(n)(ii)(B)(z)(1), 4(n)(ii)(B)(z)(2) or 4(n)(ii)(B)(z)(3), as applicable.

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

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

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

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

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

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

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

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

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

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

**“T2”** means the real time gross settlement system operated by the Eurosystem, or any successor or replacement for that system.

**“Yen”** means the lawful currency of Japan.

#### **(m) Calculation Agent**

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them in the applicable Pricing Supplement and for so long as any Note is outstanding (as defined, in the case of Notes other than AMTNs, in the Trust Deed and, in the case of AMTNs, in the Note (AMTN) Deed Poll). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under these Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final

Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the inter-bank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

**(n) Interest on Floating Rate Notes or Variable Rate Notes (for Singapore Dollar Notes)**

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

*(i) Interest Payment Dates*

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

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

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

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

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

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

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

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

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

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

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

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

“**Compounded Daily SORA**” means, with respect to an Interest Accrual Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest Accrual Period (with the reference rate for the calculation of interest being the daily Singapore Overnight Rate Average) calculated in accordance with the formula set forth below by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable

Pricing Supplement) on the Interest Determination Date, with the resulting percentage being rounded, if necessary, to the fourth decimal place (0.0001%), with 0.00005% being rounded upwards.

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

where:

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

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

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

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

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

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

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

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

Monetary Authority of Singapore’s website currently at <http://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) (the “**Relevant Screen Page**”) on the Singapore Business Day immediately following such day “i”; and

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

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

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

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

where:

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

“**d<sub>o</sub>**”, for any Interest Accrual Period, is the number of Singapore Business Days in the relevant Observation Period;

“**i**”, for the relevant Interest Accrual Period, is a series of whole numbers from one to d<sub>o</sub>, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Observation Period to the last Singapore Business Day in such Observation Period;

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

“**n<sub>i</sub>**”, for any day “i”, is the number of calendar days from and including such day “i” up to but excluding the following Singapore Business Day;

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

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

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

“**SORA<sub>i</sub>**” means, in respect of any Singapore Business Day falling in the relevant Observation Period, the reference rate equal to SORA in respect of that Singapore Business Day.

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

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

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

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

“ $d_c$ ” means the number of calendar days from (and including) the SORA Index<sub>Start</sub> to (but excluding) the SORA Index<sub>End</sub>;

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

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

- (i) if a SORA Index Cessation Event has not occurred, the “SORA Index Average” shall be calculated on any Interest Determination Date with respect to an Interest Accrual Period, in accordance with the Compounded Daily SORA formula described above in Condition 4(n)(ii)(B)(z)(2), and the Observation Period shall be calculated with reference to the number of Singapore Business Days preceding the first date of the relevant Interest Accrual Period that is used in the definition of SORA Index<sub>Start</sub> as specified in the applicable Pricing Supplement; or
- (ii) if a SORA Index Cessation Event has occurred, the provisions set forth in Condition 4(o)(iii) shall apply;

“**SORA Index<sub>End</sub>**” means the SORA Index value on the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the last date of the relevant Interest Accrual Period;

“**SORA Index<sub>Start</sub>**” means the SORA Index value on the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the first date of the relevant Interest Accrual Period; and

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

- (1) If, subject to Condition 4(o), by 5:00 p.m., Singapore time, on the Singapore Business Day immediately following such day “i”, SORA in respect of such day “i” has not been published and a SORA Index Cessation Event has not occurred, then SORA

for that day “i” will be SORA as published in respect of the first preceding Singapore Business Day for which SORA was published.

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

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

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

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

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

(iii) *Agreed Yield – Variable Rate Notes*

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

- (B) The Agreed Yield payable from time to time in respect of each Variable Rate Note for each Interest Period relating to such Variable Rate Note shall be determined as follows:
- (x) not earlier than 9.00 a.m. (Singapore time) on the ninth business day nor later than 3.00 p.m. (Singapore time) on the fifth business day prior to the commencement of each Interest Period, the Issuer and the Relevant Dealer (as defined below) shall endeavour to agree on an Agreed Yield in respect of such Variable Rate Note for such Interest Period; and
  - (y) if the Issuer and the Relevant Dealer shall not have agreed an Agreed Yield in respect of such Variable Rate Note for such Interest Period by 3.00 p.m. (Singapore time) on the fifth business day prior to the commencement of such Interest Period, or if there shall be no Relevant Dealer during the period for agreement referred to in Condition 4(n)(iii)(B)(x), the Agreed Yield for such Variable Rate Note for such Interest Period shall be zero.
- (C) The Issuer has undertaken to the Issuing and Paying Agent and the Calculation Agent that it will as soon as possible after the Agreed Yield in respect of any Variable Rate Note is determined but not later than 10.30 a.m. (Singapore time) on the next following business day:
- (x) notify the Issuing and Paying Agent and the Calculation Agent in writing of the Agreed Yield for such Variable Rate Note for such Interest Period; and
  - (y) cause such Agreed Yield for such Variable Rate Note to be notified by the Issuing and Paying Agent to the relevant Noteholder at its request.
- (D) The Issuer will pay the Agreed Yield applicable to each Variable Rate Note for each Interest Period relating to such Variable Rate Note on the first day of such Interest Period.

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

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

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

The Calculation Agent will cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Issuing and Paying Agent, the Issuer and each of the Paying Agents and to be notified to Noteholders and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, the Issuer shall cause the Rate of Interest and the Interest Amounts for each Interest Period and the

relevant Interest Payment Date to be notified to such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange or other relevant authority, or (ii) in all other cases the fourth Relevant Business Day thereafter. The Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

(vi) *Calculation Agent and Reference Banks*

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

(vii) *Definitions*

As used in this Condition 4(n):

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

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

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

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

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

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

**(o) Benchmark Discontinuation**

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

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

**(A) Independent Adviser**

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, or failing which, an Alternative Rate (in accordance with Condition 4(o)(i)(B)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 4(o)(i)(D)).

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

If:

- (i) the Issuer is unable to appoint an Independent Adviser; or
- (ii) the Independent Adviser fails to determine a Successor Rate or, failing which, an Alternative Rate,

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

**(B) Successor Rate or Alternative Rate**

If the Independent Adviser determines that:

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

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

(C) Adjustment Spread

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

(D) Benchmark Amendments

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

- (i) that amendments to these Conditions and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”); and
- (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(o)(i)(E), without any requirement for the consent or approval of Noteholders, the Trustee or the Agents, vary these Conditions and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

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

For the avoidance of doubt, the Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 4(o)(i)(D). Noteholders' consent shall not be required in connection with the effecting of the Successor Rate or the Alternative Rate (as applicable) or such other changes, including the execution of any documents or any steps by the Trustee or the Issuing and Paying Agent (if required). Further, none of the Trustee, the Calculation Agent, the Paying Agents, the Registrars or the

Transfer Agents shall be responsible or liable for any determinations or certifications made by the Issuer or the Independent Adviser with respect to any Successor Rate or Alternative Rate (as applicable) or any other changes and shall be entitled to rely conclusively on any certifications provided to each of them in this regard.

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

(E) Notices

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

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

(x) confirming

- (i) that a Benchmark Event has occurred;
- (ii) the Successor Rate or, as the case may be, the Alternative Rate;
- (iii) the applicable, Adjustment Spread; and
- (iv) the specific terms of the Benchmark Amendments (if any),

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

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

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

(F) Survival of Original Reference Rate

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

(G) Definitions:

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

**“Adjustment Spread”** means either:

- (i) a spread (which may be positive, negative or zero); or
- (ii) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:
  - (x) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);
  - (y) the Independent Adviser determines as being customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Independent Adviser determines that no such spread is customarily applied);
  - (z) the Independent Adviser (in consultation with the Issuer) determines, and which is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

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

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

**“Benchmark Event”** means:

- (i) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or
- (ii) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and such cessation is reasonably expected by the Issuer to occur prior to the Maturity Date; or
- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will be permanently or indefinitely discontinued and such discontinuation is reasonably expected by the Issuer to occur prior to the Maturity Date; or

- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes and such prohibition is reasonably expected by the Issuer to occur prior to the Maturity Date; or
- (v) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or
- (vi) it has become unlawful for any Paying Agent, Calculation Agent, the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate,

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

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

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

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

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

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of
  - (w) the central bank for the currency to which the benchmark or screen rate (as applicable) relates;

- (x) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable);
- (y) a group of the aforementioned central banks or other supervisory authorities; or
- (z) the Financial Stability Board or any part thereof.

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

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

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

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

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

**(A) Benchmark Replacement**

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

**(B) Benchmark Replacement Conforming Changes**

In connection with the implementation of a Benchmark Replacement, the Issuer or its designee will have the right to make Benchmark Replacement Conforming Changes from time to time. For the avoidance of doubt, the Trustee and any of the Agents shall, at the direction and expense of the Issuer, but subject to receipt by the Trustee of a certificate signed by two authorised signatories of the Issuer confirming that a Benchmark Event has occurred, without any requirement for the consent or approval of the Noteholders, effect such consequential amendments to the Trust Deed, the Agency Agreement and these Conditions as may be required to give effect to this Condition 4(o)(ii)(B) and none of the Trustee or the Agents shall be liable to any party for any consequences thereof, provided that the Trustee and the Agents shall not be obliged to effect any such amendments, if, in the opinion

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

### (C) Decisions and Determinations

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

### (D) Definitions

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

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

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

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

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

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

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

- (i) the sum of:
  - (a) the alternate reference rate that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof); and
  - (b) the Benchmark Replacement Adjustment;
- (ii) the sum of:
  - (a) the ISDA Fallback Rate; and
  - (b) the Benchmark Replacement Adjustment; or
- (iii) the sum of:
  - (a) the alternate reference rate that has been selected by the Issuer or its designee as the replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) giving due consideration to any industry-accepted reference rate as a replacement for the then-current Benchmark (including any daily published component used in the calculation thereof) for U.S. dollar-denominated Floating Rate Notes at such time; and
  - (b) the Benchmark Replacement Adjustment;

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

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

- (ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or
- (iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark (including any daily published component used in the calculation thereof) with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated Floating Rate Notes at such time;

**“Benchmark Replacement Conforming Changes”** means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) the Issuer or its designee decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee determine that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer or its designee determines is reasonably necessary);

**“Benchmark Replacement Date”** means the earliest to occur of the following events with respect to the then-current Benchmark (including any daily published component used in the calculation thereof):

- (i) in the case of sub-paragraph (i) or (ii) of the definition of “Benchmark Event”, the later of:
  - (a) the date of the public statement or publication of information referenced therein; and
  - (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or
- (ii) in the case of sub-paragraph (iii) of the definition of “Benchmark Event”, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

**“designee”** means a designee as selected and separately appointed by the Issuer in writing;

**“ISDA Fallback Adjustment”** means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

**“ISDA Fallback Rate”** means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark (including any daily published component used in the calculation thereof) for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

**“Reference Time”** with respect to any determination of the Benchmark means (1) if the Benchmark is the SOFR Benchmark, the SOFR Determination Time (where Compounded Daily SOFR is specified as applicable in the applicable Pricing Supplement) or SOFR Index Determination Time (where SOFR Index is specified as applicable in the applicable Pricing Supplement), or (2) if the Benchmark is not the SOFR Benchmark, the time determined by the Issuer or its designee after giving effect to the Benchmark Replacement Conforming Changes;

**“Relevant Governmental Body”** means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

**“Unadjusted Benchmark Replacement”** means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(iii) **Benchmark Discontinuation (SORA)**

*This Condition 4(o)(iii) shall only apply to Singapore dollar-denominated Notes where so specified in the applicable Pricing Supplement.*

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

(A) **Independent Adviser**

If a SORA Index Cessation Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, or failing which, an Alternative Rate (in accordance with Condition 4(o)(iii)(C)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 4(o)(iii)(D)).

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

If:

- (i) the Issuer is unable to appoint an Independent Adviser; or
- (ii) the Independent Adviser fails to determine a Successor Rate or, failing which, an Alternative Rate,

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

**(B) Successor Rate or Alternate Rate**

If the Independent Adviser determines that:

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

**(C) Adjustment Spread**

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

**(D) Benchmark Amendments**

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

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

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

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

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

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

**(E) Notices**

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

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

- (x) confirming:

- (l) that a SORA Index Cessation Event has occurred;

- (II) the Successor Rate or, as the case may be, the Alternative Rate;
- (III) the applicable Adjustment Spread;
- (IV) the specific terms of the Benchmark Amendments (if any),

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

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

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

**(F) Definitions**

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

**“Adjustment Spread”** means either:

- (a) a spread (which may be positive, negative or zero); or
- (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:
  - (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);
  - (ii) the Independent Adviser determines as being customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Independent Adviser determines that no such spread is customarily applied);
  - (iii) the Independent Adviser (in consultation with the Issuer) determines, and which is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be);

**“Alternative Rate”** means an alternative benchmark or screen rate which the Independent Adviser, determines in accordance with Condition 4(o)(iii)(B) as being customarily applied in market usage in debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) in Singapore Dollars;

**“Benchmark Amendments”** has the meaning given to it in Condition 4(o)(iii)(D);

**“Independent Adviser”** means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under Condition 4(o)(iii)(A);

**“Original Reference Rate”** means, initially, SORA (being the originally-specified benchmark rate used to determine SORA Benchmark and the Rate of Interest), provided that if a SORA Index Cessation Event has occurred with respect to SORA or the then-current Original Reference Rate, then **“Original Reference Rate”** means the applicable Successor Rate or Alternative Rate (as the case may be).

**“Relevant Nominating Body”** means:

- (a) the Monetary Authority of Singapore (or any successor administrator of the Original Reference Rate); or
- (b) any working group or committee officially sponsored or endorsed by, chaired or co-chaired by or constituted at the request of the Monetary Authority of Singapore (or any successor administrator of the Original Reference Rate).

**“SORA Index Cessation Event”** means the occurrence of one or more of the following events:

- (i) the Original Reference Rate ceasing to be published for a period of at least five Singapore Business Days or ceasing to exist; or
- (ii) a public statement or publication of information by or on behalf of the Monetary Authority of Singapore (or a successor administrator of the Original Reference Rate), the regulatory supervisor for the administrator of the Original Reference Rate, the central bank for the currency of the Original Reference Rate, an insolvency official with jurisdiction over the administrator of the Original Reference Rate, a resolution authority with jurisdiction over the administrator of the Original Reference Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the Original Reference Rate, announcing that the administrator of the Original Reference Rate has ceased or will cease to provide the Original Reference Rate permanently or indefinitely, and such cessation is reasonably expected by the Issuer to occur prior to the Maturity Date, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Original Reference Rate; or
- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Original Reference Rate announcing that the Original Reference Rate has been or will be permanently or indefinitely discontinued and such discontinuation is reasonably expected by the Issuer to occur prior to the Maturity Date; or

- (iv) a public statement or publication of information by or on behalf of the Monetary Authority of Singapore (or the supervisor of a successor administrator of the Original Reference Rate) as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes, and such prohibition is reasonably expected by the Issuer to occur prior to the Maturity Date; or
- (v) a public statement by or on behalf of the Monetary Authority of Singapore (or the supervisor of a successor administrator of the Original Reference Rate) that the Original Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market,

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

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

**“Successor Rate”** means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body as the replacement of the Original Reference Rate (which rate may be produced by the Monetary Authority of Singapore or such other administrator).

**(iv) Qualification as Tier 2 Capital Securities**

Notwithstanding any other provision of Conditions 4(o)(i)(D), 4(o)(ii)(B) or 4(o)(ii)(C) or 4(o)(iii)(D) (as applicable), no Successor Rate, Alternative Rate or Benchmark Replacement (as the case may be) will be adopted, nor will the applicable Adjustment Spread or Benchmark Replacement Adjustment (as the case may be) be applied, nor will any Benchmark Amendments or Benchmark Replacement Conforming Changes (as the case may be) be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the qualification of the Notes as Tier 2 Capital Securities and/or the Notes as eligible liabilities or loss absorbing capacity instruments for the purposes of any applicable loss absorption regulations.

**5 Redemption, Purchase and Options**

**(a) Redemption by Instalments and Final Redemption**

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 5, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the applicable Pricing Supplement. The outstanding nominal

amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

- (ii) Unless otherwise provided in the applicable Pricing Supplement and unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified in the applicable Pricing Supplement at its Final Redemption Amount (which, unless otherwise provided in the applicable Pricing Supplement, is its nominal amount) or, in the case of a Note falling within Condition 5(a)(i), its final Instalment Amount.

(b) **Early Redemption**

(i) *Zero Coupon Notes*

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 10 shall be the “**Amortised Face Amount**” (calculated as provided below) of such Note unless otherwise specified in the applicable Pricing Supplement.
- (B) Subject to the provisions of Condition 5(b)(i)(C), the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the applicable Pricing Supplement, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in Condition 5(b)(i)(B), except that such Condition shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this Condition 5(b)(i)(C) shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 4(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the applicable Pricing Supplement.

(ii) *Other Notes:*

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified in the applicable Pricing Supplement.

(c) **Redemption for Taxation Reasons**

(i) *Senior Notes*

The Senior Notes may be redeemed at the option of the Issuer in whole, but not in part, (the “**Senior Notes Optional Tax Redemption**”) on any Interest Payment Date (if this Senior Note is either a Floating Rate Note or an Index Linked Note) or at any time (if this Senior Note is neither a Floating Rate Note nor an Index Linked Note), on giving not less than 15 days’ notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 5(b)) together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption or, if the Early Redemption Amount is not specified in the applicable Pricing Supplement, at their nominal amount, together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption, if (aa) the Issuer has paid or will or would on the next payment date be required to pay any Additional Amounts (as defined in Condition 8) as a result of any change in, or amendment to, the laws or regulations of a Relevant Taxing Jurisdiction (as defined in Condition 8) or any political subdivision or any authority therein or thereof having power to tax (or any taxing authority of any taxing jurisdiction in which the Issuer is a tax resident) or any generally published application or interpretation of such laws or regulations by any such relevant tax authority or any generally published pronouncement by any such tax authority, including a decision of any court or tribunal in any such jurisdiction, or the Notes do not qualify as “qualifying debt securities” for the purposes of the Income Tax Act 1947 of Singapore (the “**Income Tax Act**”) which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Senior Notes, and (bb) such obligation cannot be avoided by the Issuer taking measures reasonably available to it, provided that, where the Issuer has or will become obliged to pay Additional Amounts, no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Amounts were a payment in respect of the Senior Notes then due.

Before the publication of any notice of redemption pursuant to this Condition 5(c)(i), the Issuer shall deliver to (i) if the subject of the Senior Notes Optional Tax Redemption is Senior Notes other than AMTNs, the Trustee or (ii) if the subject of the Senior Notes Optional Tax Redemption is AMTNs, the Australian Agent, a certificate signed by two authorised signatories of OCBC (and in the case of any other Issuer, one authorised signatory of such Issuer) stating that the payment of Additional Amounts cannot be avoided by the Issuer taking reasonable measures available to it and the Trustee or the Australian Agent, as the case may be, shall be entitled to accept such certificate without any further inquiry as sufficient evidence of the satisfaction of Conditions 5(c)(i)(aa) and (bb) without liability to any person in which event it shall be conclusive and binding on the relevant Noteholders, Receiptholders and Couponholders. The Australian Agent will make such certificate available to the holders of the relevant AMTNs for inspection. Upon expiry of such notice, the Issuer shall redeem such Senior Notes in accordance with this Condition 5(c)(i).

(ii) *Subordinated Notes*

Subject to Condition 5(m), the Subordinated Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Subordinated Note is a Floating Rate Note) or at any time (if this Subordinated Note is not a Floating Rate Note), on giving not less than 15 days' notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 5(b)) together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption or, if the Early Redemption Amount is not specified in the applicable Pricing Supplement, at their nominal amount, together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption, if:

- (A) the Issuer has paid or will or would on the next payment date be required to pay Additional Amounts (as defined in Condition 8); or
- (B) payments of interest on the Subordinated Notes will or would be treated as “**distributions**” or dividends within the meaning of the Income Tax Act or any other act in respect of or relating to Singapore taxation or would otherwise be considered as payments of a type that are non-deductible for Singapore income tax purposes; or
- (C) the Subordinated Notes do not qualify as “qualifying debt securities” for the purposes of the Income Tax Act,

in each case as a result of any change in, or amendment to, the laws or regulations of a Relevant Taxing Jurisdiction or any political subdivision or any authority therein or thereof having power to tax (or any taxing authority of any taxing jurisdiction in which the Issuer is a tax resident) or any generally published application or interpretation of such laws or regulations by any such relevant tax authority or any generally published pronouncement by any such tax authority, including a decision of any court or tribunal in any such jurisdiction, which change or amendment becomes effective on or after the date on which agreement is reached to issue the Subordinated Notes, and such obligations cannot be avoided by the Issuer taking measures reasonably available to it, provided that, where the Issuer has or will become obliged to pay Additional Amounts, no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Amounts were a payment in respect of the Subordinated Notes then due.

Before the publication of any notice of redemption pursuant to this Condition 5(c)(ii), the Issuer shall deliver to the Trustee a certificate signed by two authorised signatories of OCBC (and in the case of any other Issuer, one authorised signatory of such Issuer) stating that the payment of Additional Amounts, or that the non-deductibility of the payments of interest for Singapore income tax purposes, as the case may be, cannot be avoided by the Issuer taking reasonable measures available to it and the Trustee shall be entitled to accept such certificate without any further inquiry as sufficient evidence of the satisfaction of this Condition 5(c)(ii) without liability to any person in which event it shall be conclusive and binding on Noteholders. Upon expiry of such notice, the Issuer shall redeem the Subordinated Notes in accordance with this Condition 5(c)(ii).

*Any redemption of the Subordinated Notes by the Issuer pursuant to this Condition 5(c)(ii) is subject to the Issuer obtaining the prior approval of MAS.*

(d) **Redemption at the option of the Issuer**

(i) *Senior Notes*

If Call Option is specified in the applicable Pricing Supplement as applicable, the Issuer may, on giving not less than 15 but not more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified in the applicable Pricing Supplement) redeem all or, if so provided, some of the Senior Notes on the date(s) specified in the applicable Pricing Supplement (the "**Senior Notes Optional Redemption Date**"). Any such redemption of Senior Notes shall be at the Optional Redemption Amount specified in the applicable Pricing Supplement together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption or, if no Optional Redemption Amount is specified in the applicable Pricing Supplement, at their nominal amount together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption, in accordance with these Conditions. Any such redemption or exercise must relate to Senior Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified in the applicable Pricing Supplement and no greater than the Maximum Redemption Amount to be redeemed specified in the applicable Pricing Supplement.

All Senior Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 5(d)(i).

In the case of a partial redemption of Senior Notes other than AMTNs, the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place as the Trustee may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

In the case of a partial redemption of AMTNs, the AMTNs to be redeemed must be specified in the notice and selected (i) in a fair and reasonable manner; and (ii) in compliance with any applicable law, directive or requirement of any stock exchange or other relevant authority on which the AMTNs are listed.

(ii) *Subordinated Notes*

Subject to Condition 5(m), and unless otherwise specified in the Pricing Supplement, if Call Option is specified in the applicable Pricing Supplement as applicable, the Issuer may, on giving not less than 15 days' irrevocable notice to the Noteholders, elect to redeem all, but not some only, of the Subordinated Notes on (i) the relevant First Call Date specified in the applicable Pricing Supplement (which shall not be less than 5 years from the Issue Date); and (ii) any Interest Payment Date following such First Call Date at their Optional Redemption Amount specified in the applicable Pricing Supplement or, if no Optional Redemption Amount is specified in the applicable Pricing Supplement, at their nominal amount together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption in accordance with these Conditions.

All Subordinated Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 5(d)(ii).

*The Maturity Date of the Subordinated Notes will not be less than five years from the Issue Date. Any redemption of the Subordinated Notes by the Issuer pursuant to this Condition 5(d)(ii) is subject to the Issuer obtaining the prior approval of MAS.*

**(e) Redemption at the option of holders of Senior Notes**

If Put Option is specified in the applicable Pricing Supplement, the Issuer shall, at the option of the holder of any such Senior Note, upon the holder of such Senior Note giving not less than 15 but not more than 30 days' notice to the Issuer (or such other notice period as may be specified in the applicable Pricing Supplement) redeem such Senior Note on the Optional Redemption Date(s) at the Optional Redemption Amount stated in the applicable Pricing Supplement together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Senior Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes other than AMTNs) the Certificate representing such Senior Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No such Senior Note so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

*Unless otherwise provided in the applicable Pricing Supplement, the Subordinated Notes are not redeemable prior to the Maturity Date at the option of the Noteholders.*

**(f) Purchase at the option of Noteholders of Senior Notes**

If VRN Purchase Option is specified in the applicable Pricing Supplement, each Noteholder shall have the option to have all or any of its Variable Rate Notes purchased by the Issuer at their nominal amount on any Interest Payment Date (as defined in Condition 4(n)) and the Issuer will purchase such Variable Rate Notes accordingly. To exercise such option, a Noteholder shall deposit any Variable Rate Notes to be purchased, together with all Coupons relating to such Variable Rate Notes which mature after the date fixed for purchase, together with a duly completed option exercise notice in the form obtainable from the Paying Agent, not later than 5.00 p.m. (Singapore time) on the last day of the VRN Purchase Option Period shown on the face hereof. Any Variable Rate Notes so deposited may not be withdrawn. Such Variable Rate Notes may be held, resold or surrendered to the Paying Agent for cancellation. The Variable Rate Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Condition 11(a).

If Purchase Option is specified in the applicable Pricing Supplement, each Noteholder shall have the option to have all or any of its Notes purchased by the Issuer at their nominal amount on any date on which interest is due to be paid on such Notes and the Issuer will purchase such Notes accordingly. To exercise such option, a Noteholder shall deposit any such Notes to be purchased, together with all Coupons relating to such Notes which mature after the date fixed for purchase, together with a duly completed option exercise notice in the form obtainable from the Paying Agent, not later than 5.00 p.m. (Singapore time) on the last day of the Purchase Option shown on the face hereof. Any such Notes so deposited may not be withdrawn. Such Notes may be held, resold or surrendered to the Paying Agent for cancellation. The Notes so purchased,

while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Condition 11(a).

(g) **Redemption for Change of Qualification Event in respect of Subordinated Notes**

Subject to Condition 5(m), if as a result of a change or amendment to the relevant requirements issued by MAS, or any change in, or amendment to, the application of official or generally accepted and published interpretation of such relevant requirements issued by MAS or any relevant supervisory authority having jurisdiction over the Issuer, including a ruling or notice issued by MAS or any such relevant supervisory authority, or any interpretation or pronouncement by MAS or any such relevant supervisory authority that provides for a position with respect to such requirements issued by MAS that differs from the previously published official or such generally accepted and published interpretation in relation to similar transactions or which differs from any specific written statements made by MAS or any relevant supervisory authority having jurisdiction over the Issuer in relation to:

- (i) the qualification of the Subordinated Notes as Tier 2 Capital Securities; or
- (ii) the inclusion of any Subordinated Notes in the calculation of the capital adequacy ratio,

in each case, of the Issuer (either on a consolidated or unconsolidated basis) ("**Eligible Capital**"), which change or amendment:

- (x) becomes, or would become, effective on or after the Issue Date; or
- (y) in the case of a change or amendment to the relevant requirements issued by MAS or any relevant authority, if such change or amendment is expected to be issued by MAS or any relevant supervisory authority on or after the Issue Date,

the relevant Subordinated Notes (in whole or in part) would not qualify as Eligible Capital of the Issuer (excluding, for the avoidance of doubt, non-qualification solely by virtue of the Issuer already having, or coming to have, an issue of securities with an aggregate principal amount up to or in excess of the limit of Tier 2 Capital Securities permitted pursuant to the relevant legislation and statutory guidelines in force as at the Issue Date) (a "**Change of Qualification Event**"), then the Issuer may, having given not less than 15 days' prior written notice to the Noteholders in accordance with Condition 16 (which notice shall be irrevocable), redeem in accordance with these Conditions on any Interest Payment Date (if this Subordinated Note is at the relevant time a Floating Rate Note) or at any time (if this Subordinated Note is at the relevant time not a Floating Rate Note) all, but not some only, of the relevant Subordinated Notes, at their Early Redemption Amount or, if no Early Redemption Amount is specified in the applicable Pricing Supplement, at their nominal amount together with interest accrued but unpaid (if any) to (but excluding) the date fixed for redemption in accordance with these Conditions.

Prior to the publication of any notice of redemption pursuant to this Condition 5(g), the Issuer shall deliver to the Trustee a certificate signed by two authorised signatories of OCBC (and in the case of any other Issuer, one authorised signatory of such Issuer) stating that a Change of Qualification Event has occurred and the Trustee shall be entitled to accept such certificate without any further inquiry as sufficient evidence of the satisfaction of the conditions set out above without liability to any person in which event it shall be conclusive and binding on the Noteholders. Upon expiry of such notice, the Issuer shall redeem the Subordinated Notes in accordance with this Condition 5(g).

*Any redemption of the Subordinated Notes by the Issuer pursuant to this Condition 5(g) is subject to the Issuer obtaining the prior approval of MAS.*

**(h) Variation of Subordinated Notes**

Subject to Condition 5(m), where this Condition 5(h) is specified as being applicable in the applicable Pricing Supplement for the relevant Subordinated Notes, the Issuer may at any time, without any requirement for the consent or approval of the Noteholders and having given not less than 15 days' notice to the Noteholders in accordance with Condition 16 (which notice shall be irrevocable), vary the terms of those Subordinated Notes, where such variation does not result in terms that are materially less favorable to the Noteholders and so that they remain or, as appropriate, become Qualifying Securities and provided further that:

- (i) such variation does not itself give rise to any right of the Issuer to redeem the varied securities that is inconsistent with the redemption provisions of those Subordinated Notes;
- (ii) neither a Tax Event nor a Capital Event arises as a result of such variation; and
- (iii) the Issuer is in compliance with the rules of any stock exchange on which the Subordinated Notes are for the time being listed or admitted to trading.

In order to give effect to a variation pursuant to this Condition 5(h), the Issuer and the Trustee shall take all such steps, including executing any supplemental deed, as may be necessary or desirable to give effect to such variation. For the avoidance of doubt, the Trustee shall not be responsible or liable for verifying or certifying whether any of the provisions of this Condition 5(h) have been complied with nor incur any liability whatsoever for any failure to do so.

*Any variation (to the extent that any variation would affect the eligibility of the Subordinated Notes as Tier 2 Capital Securities) of the Subordinated Notes by the Issuer pursuant to this Condition 5(h) is subject to the Issuer obtaining the prior approval of MAS.*

In this Condition 5(h):

**“Additional Amounts”** means such additional amounts the Issuer shall pay as will result (after withholding or deduction) in receipt by the Noteholders of the sums which would have been receivable (in the absence of such withholding or deduction) from it in respect of their Subordinated Notes;

a **“Capital Event”** will be deemed to have occurred if any Subordinated Notes are not, or cease to be, eligible in their entirety to be treated as Tier 2 Capital Securities of the relevant Issuer;

**“Qualifying Securities”** means securities, whether debt, equity, interests in limited partnerships or otherwise, issued directly or indirectly by the Issuer that:

- (i) qualify (in whole or in part) as Tier 2 Capital Securities; or
- (ii) may be included (in whole or in part) in the calculation of the capital adequacy ratio,

in each case of (x) the Issuer, on an unconsolidated basis, or (y) the Issuer and its subsidiaries, on a consolidated basis;

- (i) shall:
  - (i) include a ranking at least equal to that of the Subordinated Notes;
    - (A) have at least the same interest rate and the same Interest Payment Dates as those from time to time applying to the Subordinated Notes;
    - (B) have the same redemption rights as the Subordinated Notes;
    - (C) preserve any existing rights under the Subordinated Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of variation; and
    - (D) if applicable, are assigned (or maintain) the same or higher credit ratings as were assigned to the Subordinated Notes immediately prior to such variation; and
  - (ii) are listed on the SGX-ST (or such other stock exchange approved by the Trustee) if the Subordinated Notes were listed immediately prior to such variation; and

a “**Tax Event**” is deemed to have occurred if, in making any payments on any Subordinated Notes, the Issuer has paid or will or would on the next payment date be required to pay any Additional Amounts or payments of interest on the Subordinated Notes will or would be treated as “distributions” or dividends within the meaning of the Income Tax Act or any other act in respect of or relating to Singapore taxation or would otherwise be considered as payments of a type that are non-deductible for Singapore income tax purposes, in each case under the laws or regulations of a Relevant Taxing Jurisdiction (as defined in Condition 8) or any political subdivision or any authority therein or thereof having power to tax (or any taxing authority of any taxing jurisdiction in which the Issuer is a tax resident) or any generally published application or interpretation of such laws or regulations by any relevant tax authority or any generally published pronouncement by any such tax authority, including a decision of any court or tribunal in any such jurisdiction, and the Issuer cannot avoid the foregoing by taking measures reasonably available to it.

If a variation has occurred pursuant to, or otherwise in accordance with, this Condition 5(h), such event will not constitute a Default under these Conditions.

(i) **Partly Paid Notes**

If the Notes are specified in the applicable Pricing Supplement as being Partly Paid Notes, such Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition 5 and the provisions specified in the applicable Pricing Supplement.

(j) **Purchases**

The Issuer and any of its subsidiaries (with the prior approval of MAS, for so long as the Issuer is required to obtain such approval, in the case of Subordinated Notes) may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price in accordance with all relevant laws and regulations and, for so long as the Notes are listed, the requirements of the relevant stock exchange. The Issuer or any such subsidiary may, at its option, retain such purchased Notes for its own account and/or resell or cancel or otherwise deal with them at its discretion.

**(k) Cancellation**

All Notes purchased by or on behalf of the Issuer or any of its subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes (other than AMTNs), by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged. Any Subordinated Note that is Written-off in full in accordance with Condition 6 or converted in full if and as described in the applicable Pricing Supplement shall be automatically cancelled.

If any AMTN represented by an AMTN Certificate is redeemed or purchased and cancelled in accordance with this Condition 5 then (i) the applicable AMTN Certificate will be deemed to be surrendered and cancelled without any further formality, and (ii) where some, but not all, of the AMTNs represented by that AMTN Certificate are so redeemed, the Issuer will, promptly and without charge, issue and deliver, and procure the authentication by the Australian Agent of, a new AMTN Certificate in respect of those AMTNs that had been represented by the original AMTN Certificate and which remain outstanding following such redemption.

**(l) No Obligation to Monitor**

In the case of Notes other than AMTNs, the Trustee shall not be under any duty to monitor whether any event or circumstance has happened or exists within this Condition 5 and will not be responsible to the Noteholders, Receiptholders or Couponholders for any loss arising from any failure by it to do so. Unless and until the Trustee has notice in writing of the occurrence of any event or circumstance within this Condition 5, it shall be entitled to assume that no such event or circumstance exists.

**(m) Redemption or Variation of Subordinated Notes**

Without prejudice to any provision in this Condition 5, any redemption pursuant to Condition 5(c)(ii), Condition 5(d)(ii) or Condition 5(g) or variation pursuant to Condition 5(h) (to the extent that any variation would affect the eligibility of the Subordinated Notes as Tier 2 Capital Securities) of Subordinated Notes by the Issuer is subject to the Issuer obtaining the prior approval of MAS.

*These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the applicable Pricing Supplement in relation to such Series.*

**6 Loss Absorption upon a Trigger Event and Bail-in Power in respect of Subordinated Notes**

- (a) The applicable Pricing Supplement will specify whether “Write-off” or “Conversion” applies as the relevant Loss Absorption Option upon the occurrence of a Trigger Event in relation to the Subordinated Notes to which it relates. If “Write-off” is specified, the provisions of Conditions 6(b) and (c) shall apply. If “Conversion” is specified, the terms applicable thereto will be specified in the applicable Pricing Supplement.

(b) Write-off on a Trigger Event:

- (i) If “Write-off” is specified as the Loss Absorption Option in the applicable Pricing Supplement for any Subordinated Notes and if a Trigger Event occurs, the Issuer shall, upon the issue of a Trigger Event Notice, irrevocably and without the need for the consent of the Trustee or the holders of any Subordinated Notes, procure that the Registrar shall reduce the principal amount and cancel any accrued but unpaid interest of each Subordinated Note (in whole or in part) by an amount equal to the Trigger Event Write-off Amount per Subordinated Note (a “**Write-off**”, and “**Written-off**” shall be construed accordingly). Once any principal or interest under a Subordinated Note has been Written-off, it will be extinguished and will not be restored in any circumstances, including where the relevant Trigger Event ceases to continue. No Noteholder may exercise, claim or plead any right to any Trigger Event Write-off Amount, and each Noteholder shall be deemed to have waived all such rights to such Trigger Event Write-off Amount. For the avoidance of doubt, any Write-off in accordance with this Condition 6 shall not constitute a Default (as defined below).
- (ii) If a Trigger Event Notice has been given in respect of any Subordinated Notes in accordance with this Condition 6(b), transfers of any such Subordinated Notes that are the subject of such notice shall not be permitted during the Suspension Period. From the date on which a Trigger Event Notice in respect of any Subordinated Notes in accordance with this Condition 6(b) is issued by the Issuer to the end of the Suspension Period, the Trustee and the Registrar shall not register any attempted transfer of any Subordinated Notes and such an attempted transfer will not be effective.
- (iii) Any reference in these Conditions to principal in respect of the Subordinated Notes shall refer to the principal amount of the Subordinated Note(s), reduced by any applicable Write-off(s).

*Any Write-off of Subordinated Notes or any cancellation, modification, conversion or change in form as a result of the exercise of the MAS’s powers under Division 4A of Part IVB of the MAS Act is subject to the availability of procedures to effect the Write-off in the relevant clearing systems. For the avoidance of doubt, however, any Write-off of any Subordinated Notes, or the giving of effect of a Bail-in Certificate with respect to the Issuer, under this Condition 6 will be effective upon the date that the Issuer specifies in the Trigger Event Notice or in the notice of issue of a Bail-in Certificate (or as may otherwise be notified in writing to Subordinated Noteholders, the Trustee and Agents by the Issuer) notwithstanding any inability to operationally effect any such Write-off or cancellation, modification, conversion or change in form as a result of the exercise of the MAS’s powers under Division 4A of Part IVB of the MAS Act in the relevant clearing system(s).*

(c) **Multiple Trigger Events and Write-offs in part**

- (i) Where only part of the principal and/or interest of Additional Tier 1 Capital Securities or Tier 2 Capital Securities of the Issuer is to be Written-off, the Issuer shall use reasonable endeavours to conduct any Write-off such that:
  - (A) holders of any Series of Subordinated Notes are treated ratably and equally;

- (B) the Write-off of any Subordinated Notes is conducted only to the extent that the Trigger Event Write-off Amount (as applicable) exceeds the aggregate nominal amount of all Additional Tier 1 Capital Securities of the Issuer that are capable of being written-off or converted under any applicable laws and/or their terms of issue analogous to these conditions, so as to Write-off Tier 2 Capital Securities of the Issuer (including the Subordinated Notes) in an aggregate nominal amount equal to the amount of that excess; and
- (C) the Write-off of any Subordinated Notes is conducted on a pro rata and proportionate basis with all other Tier 2 Capital Securities of the Issuer, to the extent that such Tier 2 Capital Securities are capable of being written-off or converted under any applicable laws and/or their terms of issue analogous to these Conditions.

*Any loss absorption action to be taken in respect of any Common Equity Tier 1 Capital shall not be required before a Write-off or conversion (if applicable) of any Subordinated Notes can be effected in accordance with these Conditions.*

- (ii) Any Series of Subordinated Notes may be subject to one or more Write-offs in part (as the case may be), except where such Series of Subordinated Notes has been Written-off in its entirety.

(d) **Bail-in Power in respect of Subordinated Notes:**

Notwithstanding any other term of the Subordinated Notes, including without limitation Condition 6(b), or any other agreement or arrangement, the Subordinated Notes may be subject to cancellation, modification, conversion, change in form, or have the effect as if a right of modification, conversion, or change of form had been exercised by the MAS in the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act without prior notice. The Trustee (on behalf of the holders of Subordinated Notes) and each holder of a Subordinated Note shall be subject, and shall be deemed to agree, to be bound by and acknowledge that they are each subject to, having the Subordinated Notes being the subject of the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act. Further, the Trustee (on behalf of the holders of Subordinated Notes) and each holder of a Subordinated Note shall be deemed to agree to be bound by a Bail-in Certificate.

The rights of the holders of Subordinated Notes and the Trustee (on behalf of the holders of Subordinated Notes) under the Subordinated Notes and these Conditions are subject to, and will be amended and varied (if necessary), solely to give effect to, the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act.

No repayment of any outstanding principal amount of any Subordinated Notes or payment of any interest on any Subordinated Notes shall become due and payable or be paid after the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act unless, at the time that such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer under the laws and regulations applicable to the Issuer.

Upon the issue of a Bail-in Certificate with respect to the Subordinated Notes, the Issuer shall provide written notice of such Bail-in Certificate to the holders of Subordinated Notes and the Trustee in accordance with Condition 16 not more than two Business Days after the issue of such Bail-in Certificate.

Neither the cancellation, modification, conversion or change in form of the Subordinated Notes as a result of the exercise of the MAS's powers under Division 4A of Part IVB of the MAS Act with respect to the Issuer or the Subordinated Notes shall constitute a Default under Condition 10(b).

(e) **Definitions**

In this Condition 6:

**"Bail-in Certificate"** means a bail-in certificate issued pursuant to Section 75 of the MAS Act;

**"Common Equity Tier 1 Capital"** means:

- (i) any security issued by the Issuer; or
- (ii) any other similar instrument issued by any subsidiary of the Issuer, that, in each case, constitutes Common Equity Tier 1 Capital of the Issuer, on an unconsolidated basis, pursuant to the relevant requirements set out in MAS Notice 637;

**"Loss Absorption Option"** means such loss absorption option as may be specified in the applicable Pricing Supplement in respect of any Subordinated Notes;

**"MAS Act"** means the Monetary Authority of Singapore Act 1970 of Singapore, as amended;

**"Trigger Event"** means the earlier of:

- (i) MAS notifying the Issuer in writing that it is of the opinion that a Write-off or conversion is necessary, without which the Issuer would become non-viable; and
- (ii) a decision by MAS to make a public sector injection of capital, or equivalent support, without which the Issuer would have become non-viable, as determined by MAS;

**"Trigger Event Notice"** means the notice specifying that a Trigger Event has occurred, which shall be issued by the Issuer not more than two Business Days after the occurrence of a Trigger Event to the holders of the Subordinated Notes, the Trustee and the Issuing and Paying Agent in accordance with Condition 16 and which shall state with reasonable detail the nature of the relevant Trigger Event and, if applicable, specify, as applicable (A) the Trigger Event Write-off Amount per Subordinated Note to be Written-off or (B) details of any conversion consistent with any mechanics specified in the applicable Pricing Supplement. For the purposes of this definition, a Trigger Event Notice shall be deemed to be delivered on a Business Day if it is received by the Trustee at its principal place of business and by the Issuing and Paying Agent and the Registrar at their respective specified offices during normal business hours; and

**"Trigger Event Write-off Amount"** means the amount of interest and/or principal to be Written-off, as the MAS may direct, or as the Issuer (in accordance with the MAS) determines is required to be Written-off for the Trigger Event to cease to continue. For the avoidance of doubt, the Write-off will be effected in full even in the event that the amount Written-off is not sufficient for the Trigger Event to cease to continue.

**(f) Role of the Issuer, the Trustee and the Agents**

Notwithstanding anything to the contrary that may be set out in these Conditions, the Trust Deed, the Agency Agreement, the applicable Pricing Supplement or any other document relating to the Subordinated Notes:

- (i) neither the Trustee nor any Agent shall be under any duty to determine, monitor or report whether a Trigger Event has occurred or circumstances exist which may lead to the occurrence of a Trigger Event and will not be responsible or liable to the Noteholders or any other person for any loss arising from any failure by it to do so, except where such failure is due to the fraud, negligence or wilful misconduct of the Trustee or such Agent. Unless and until the Trustee and the Issuing and Paying Agent receive a Trigger Event Notice in accordance with this Condition 6 and the other Agents are expressly notified in writing, each of them shall be entitled to assume that no such event or circumstance has occurred or exists;
- (ii) each of the Trustee and each Agent shall be entitled without further enquiry and without liability to any Noteholder or any other person to rely on any Trigger Event Notice and such Trigger Event Notice shall be conclusive evidence of the occurrence of the Trigger Event and conclusive and binding on Noteholders;
- (iii) neither the Trustee nor any Agent shall be under any duty to determine or calculate, or verify any determination or calculation of or relating to, any Trigger Event Write-off Amount and will not be responsible or liable to the Noteholders or any other person for any loss arising from any failure by it to do so, except where such failure is due to the fraud, negligence or wilful misconduct of the Trustee or such Agent;
- (iv) each of the Trustee, the Agents, Euroclear, Clearstream, CDP, DTC and any other relevant clearing system shall be entitled without further enquiry and without liability to any Noteholder or any other person to rely on any Trigger Event Notice and the Trigger Event Write-off Amount specified therein shall, as to the amount of interest and/or principal to be Written-off, be conclusive and binding on Noteholders;
- (v) as long as such Subordinated Notes are held in global form, neither the Trustee nor any Agent shall, in any circumstances, be responsible or liable to the Issuer, the Noteholders or any other person for any act, omission or default by Euroclear, Clearstream, CDP, DTC or any other relevant clearing system, or its respective participants, members, any broker-dealer or any other relevant third party with respect to the notification and/or implementation of any Write-off by any of them in respect of such Subordinated Notes;
- (vi) once the Issuer has delivered a Trigger Event Notice to the Trustee pursuant to this Condition 6:
  - (A) the Trustee shall not be obliged to take any action pursuant to any direction, instruction or request provided to it pursuant to an Extraordinary Resolution (as defined in the Trust Deed) or a resolution passed at a meeting of Noteholders; and

(B) any direction, instruction or request given to the Trustee pursuant to an Extraordinary Resolution or a resolution passed at a meeting of Noteholders prior to the date of the Trigger Event Notice shall cease automatically and shall be null and void and of no further effect,

provided that any action taken by the Trustee in respect of any such Subordinated Notes shall only be taken after the relevant Suspension Period;

(vii) the Issuer, the Trustee and each Agent shall, without the need for the consent or approval of the holders of any Subordinated Notes (or any further action or direction on the part of Noteholders), take any and all such steps in accordance with the Agency Agreement as may be necessary or desirable to give effect to any Trigger Event and any Write-off following the occurrence of the Trigger Event and to reflect the same in the records of Euroclear, Clearstream, CDP, DTC or any other relevant clearing system; and

(viii) the Trust Deed and Agency Agreement contain certain other protections and disclaimers as applicable to the Trustee and Agents in relation to Condition 6 and each Noteholder shall be deemed to have authorised, directed and requested the Trustee, the Registrar and the other Agents, as the case may be, to take any and all such steps as may be necessary or desirable to give effect to any Trigger Event and any Write-off following the occurrence of the Trigger Event.

## 7 Payments and Talons

### (a) Bearer Notes not held in CMU

Payments of principal and interest in respect of Bearer Notes not held in CMU shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relevant Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(h)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(h)(ii)), as the case may be:

- (i) in the case of a currency other than Renminbi, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank; and
- (ii) in the case of Renminbi where the Notes are cleared through CDP, by transfer to a Renminbi account maintained by or on behalf of a Noteholder with a bank in Singapore or Hong Kong.

If a holder does not maintain such an account in respect of a payment to be made under the Notes, the Issuer reserves the right, in its sole discretion and upon such terms as it may determine, to make arrangements to pay such amount to that holder by another means, provided that the Issuer shall not have any obligation to make any such arrangements.

In this Condition 7(a), “**Bank**” means a bank in the principal financial centre for such currency or, in the case of Euro, in a city in which banks have access to the T2.

(b) **Bearer Notes held in CMU**

Payments of principal and interest in respect of Bearer Notes held in CMU will be made to the person(s) for whose account(s) interests in the relevant Bearer Note are credited as being held with CMU in accordance with CMU Rules (as defined in the Agency Agreement) at the relevant time as notified to the CMU Lodging and Paying Agent by CMU in a relevant CMU Instrument Position Report (as defined in the Agency Agreement) or any other relevant notification by CMU, which notification shall be conclusive evidence of the records of CMU (save in the case of manifest error) and payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment.

(c) **Registered Notes (other than AMTNs) not held in CMU**

This Condition 7(c) does not apply to AMTNs.

- (i) Payments of principal (which for the purposes of this Condition 7(c) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 7(a)(ii).
- (ii) Interest (which for the purpose of this Condition 7(c) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business (i) on the fifteenth day before the due date for payment thereof or (ii) in the case of Renminbi, on the fifth day before the due date for payment thereof (the “**Record Date**”). Payments of interest on each Registered Note shall be made:
  - (x) in the case of a currency other than Renminbi, in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Notes at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank; and
  - (y) in the case of Renminbi where the Notes are cleared through CDP, by transfer to the registered account of the Note holder. If a holder does not maintain such a registered account in respect of a payment to be made under the Notes, the Issuer reserves the right, in its sole discretion and upon such terms as it may determine, to make arrangements to pay such amount to that holder by another means, provided that the Issuer shall not have any obligation to make any such arrangements.

In this Condition 7(c)(ii), “**registered account**” means the Renminbi account maintained by or on behalf of the Noteholder with a bank in Singapore or Hong Kong, details of which appear on the Register at the close of business on the fifth business day before the due date for payment.

- (iii) Noteholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due on a Note if the due date is not a relevant business day, if the Noteholder is late in surrendering or cannot surrender its Certificate (if required to do so) or if a cheque mailed in accordance with Condition 7(c)(ii) arrives after the due date for payment.

**(d) Registered Notes (other than AMTNs) held in CMU**

This Condition 7(d) does not apply to AMTNs.

Payments of principal and interest in respect of Registered Notes held in CMU will be made to the person(s) for whose account(s) interests in the relevant Registered Note are credited as being held with CMU in accordance with CMU Rules (as defined in the Agency Agreement) at the relevant time as notified to the CMU Lodging and Paying Agent by CMU in a relevant CMU Instrument Position Report (as defined in the Agency Agreement) or any other relevant notification by CMU, which notification shall be conclusive evidence of the records of CMU (save in the case of manifest error) and payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment.

*For so long as any of the Notes that are cleared through CMU are represented by a Global Note or a Global Certificate, payments of interest or principal will be made to the persons for whose account a relevant interest in that Global Note or, as the case may be, that Global Certificate is credited as being held by the operator of CMU at the relevant time, as notified to the CMU Lodging and Paying Agent by the operator of CMU in a relevant CMU Instrument Position Report (as defined in the rules of CMU) or in any other relevant notification by the operator of CMU. Such payment will discharge the Issuer's obligations in respect of that payment. Any payments by CMU participants to indirect participants will be governed by arrangements agreed between CMU participants and the indirect participants and will continue to depend on the inter-bank clearing system and traditional payment methods. Such payments will be the sole responsibility of such CMU participants.*

**(e) Payments in the United States**

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

**(f) Payments subject to fiscal laws**

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment or other laws to which the Issuer agrees to be subject and the Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders, Receiptholders or Couponholders in respect of such payments.

**(g) Appointment of Agents**

The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent, the Paying Agents, the Registrar, the Australian Agent, the Exchange Agent, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S.

Paying Agent, the Paying Agents, the Registrar, the Australian Agent, the Exchange Agent, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder, Receiptholders or Couponholder. The Issuer reserves the right at any time with the approval of the Trustee to vary or terminate the appointment of the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the U.S. Paying Agent, any other Paying Agent, the Registrar, the Australian Agent, the Exchange Agent, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar or Australian Agent (as applicable) in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a CMU Lodging and Paying Agent in relation to Notes cleared through CMU, (v) a CDP Paying Agent in relation to Notes cleared through CDP, (vi) a U.S. Paying Agent in relation to Notes cleared through DTC, (vii) one or more Calculation Agent(s) where these Conditions so require and (viii) such other agents as may be required by any other stock exchange on which the Notes may be listed in each case, as approved by the Trustee.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in Condition 7(e).

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

So long as any Global Certificate payable in a specified currency other than U.S. dollars is held through DTC or its nominee, there will at all times be an Exchange Agent with a specified office in New York City.

**(h) Unmatured Coupons and Receipts and unexchanged Talons**

- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes such Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such claim in relation to such Coupon has become void pursuant to Condition 9).
- (ii) Upon the due date for redemption of any Bearer Note which does not comprise a Fixed Rate Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexpired Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.

- (v) Where any Bearer Note that provides that the relevant unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(i) **Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any claims in relation to Coupons that may have become void pursuant to Condition 9).

(j) **Non-Business Days**

If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this Condition 7(j), “**business day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such other jurisdictions as shall be specified as “Financial Centres” in the applicable Pricing Supplement and:

- (i) (in the case of a payment in a currency other than Euro and Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or
- (ii) (in the case of a payment in Euro) which is a T2 Business Day; or
- (iii) (in the case of Renminbi where the Notes are cleared through CMU) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong; or
- (iv) (in the case of Renminbi where the Notes are cleared through CDP or in definitive form) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Singapore and Hong Kong; or
- (v) (in the case of Renminbi where the Notes are cleared through Euroclear or Clearstream) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in London.

(k) **Renminbi Disruption Fallback:**

Notwithstanding the foregoing, if (i) Renminbi is, in the reasonable opinion of the Issuer, not expected to be available to the Issuer when payment of the Notes is due as a result of circumstances beyond the control of the Issuer or (ii) by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuer is not able to satisfy payments of principal or interest in respect of the Notes when due in Renminbi (in the case of Notes cleared through CMU, Euroclear or Clearstream) in Hong Kong or (in the case of Notes cleared through CDP) in Singapore, the Issuer shall, on giving not less than five nor more than 30 days' irrevocable notice to the Noteholders prior to the due date for payment, settle any such payment (in the case of Notes cleared through CMU, Euroclear or Clearstream) in U.S. dollars on the due date at the U.S. Dollar Equivalent, or (in the case of Notes cleared through CDP) in Singapore dollars on the due date at the Singapore Dollar Equivalent, of any such Renminbi denominated amount. The due date for payment shall be the originally scheduled due date or such postponed due date as shall be specified in the notice referred to above, which postponed due date may not fall more than 20 days after the originally scheduled due date. Interest on the Notes will continue to accrue up to but excluding any such date for payment of principal.

In such event, payments of the U.S. Dollar Equivalent or the Singapore Dollar Equivalent (as applicable) of the relevant principal or interest in respect of the Notes shall be made by:

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, transfer to a U.S. dollar denominated account maintained by the payee with, or by a U.S. dollar denominated cheque drawn on, or, at the option of the holder, by transfer to a U.S. dollar account maintained by the holder with, a bank in New York City and the definition of "**business day**" for the purpose of Condition 7(j) shall mean any day on which banks and foreign exchange markets are open for general business in the relevant place of presentation, and New York City; or
- (ii) in the case of Notes cleared through CDP, transfer to a Singapore dollar denominated account maintained by the payee with, or by a Singapore dollar denominated cheque drawn on, a bank in Singapore.

For the purposes of this Condition 7:

"**Determination Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange):

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, in Hong Kong and New York City; or
- (ii) in the case of Notes cleared through CDP, in Singapore.

"**Determination Date**" means the day which:

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, is two Determination Business Days before the due date for payment of the relevant amount under these Conditions; or
- (ii) in the case of Notes cleared through CDP, is seven Determination Business Days before the due date of the relevant amount under these Conditions.

**“Governmental Authority”** means:

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong; or
- (ii) in the case of Notes cleared through CDP, MAS or any other governmental authority or any other entity (private or public) charged with the regulation of the financial markets of Singapore.

**“Illiquidity”** means:

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, the general Renminbi exchange market in Hong Kong becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest or principal in respect of the Notes as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers selected by the Issuer; or
- (ii) in the case of Notes cleared through CDP, the general Renminbi exchange market in Singapore becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest or principal in respect of the Notes as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers selected by the Issuer.

**“Inconvertibility”** means the occurrence of any event that makes it impossible (where it had been previously possible) for the Issuer to convert any amount due in respect of the Notes in the general Renminbi exchange market in (in the case of Notes cleared through CMU, Euroclear or Clearstream) Hong Kong or (in the case of Notes cleared through CDP) Singapore, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

**“Non-transferability”** means the occurrence of any event that makes it impossible for the Issuer to deliver Renminbi between accounts:

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong and outside the PRC or from an account outside Hong Kong and outside the PRC to an account inside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation); or
- (ii) in the case of Notes cleared through CDP, inside Singapore or from an account inside Singapore to an account outside Singapore and outside the PRC or from an account outside Singapore and outside the PRC to an account inside Singapore, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority

(unless such law, rule or regulation is enacted after the Issue Date and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

**“PRC”** means the People’s Republic of China (excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan).

**“Renminbi Dealer”** means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in (in the case of Notes cleared through CMU, Euroclear or Clearstream) Hong Kong or (in the case of Notes cleared through CDP) Singapore.

**“Singapore Dollar Equivalent”** means the Renminbi amount converted into Singapore dollars using the relevant Spot Rate for the relevant Determination Date, as promptly notified to the Issuer and the Paying Agents.

**“Spot Rate”** means:

- (i) in the case of Notes cleared through CMU, Euroclear or Clearstream, the spot CNY/U.S. dollar exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement in two Determination Business Days, as determined by the Calculation Agent at or around 11.00 a.m. (Hong Kong time) on the Determination Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF.
- (ii) If such rate is not available, the Calculation Agent will determine the Spot Rate at or around 11.00 a.m. (Hong Kong time) on the Determination Date as the most recently available CNY/U.S. dollar official fixing rate for settlement in two Determination Business Days reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate; or
- (iii) in the case of Notes cleared through CDP, the spot CNY/Singapore dollar exchange rate as determined by the Issuer at or around 11.00 a.m. (Singapore time) on the Determination Date in good faith and in a reasonable commercial manner, and if a spot rate is not readily available, the Issuer may determine the rate taking into consideration all available information which the Issuer deems relevant, including pricing information obtained from the Renminbi non-deliverable exchange market in Singapore or elsewhere and the PRC domestic foreign exchange market in Singapore (and, for the avoidance of doubt, the Calculation Agent shall have no obligation to determine the Spot Rate in the case of Notes cleared through CDP).

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 7(k) by the Calculation Agent, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agents and all Noteholders.

**“U.S. Dollar Equivalent”** means the Renminbi amount converted into U.S. dollars using the Spot Rate for the relevant Determination Date as promptly notified to the Issuer and the Paying Agents.

(I) **AMTNs**

- (i) The Australian Agent will act (through its office in Sydney) as paying agent for AMTNs pursuant to the Australian Agency Agreement and:
- (A) if the AMTN is in the clearing system (the “**Austraclear System**”) operated by Austraclear, by crediting on the relevant Interest Payment Date or Maturity Date (as the case may be) the amount then due to the account (held with a bank in Australia) of Austraclear in accordance with the rules and regulations known as the “**Austraclear System Regulations**” established by Austraclear (as amended or replaced from time to time) to govern the use of the Austraclear System;
- (B) if the AMTN is not in the Austraclear System, by crediting on the Interest Payment Date or Maturity Date (as the case may be), the amount then due to an account (held with a bank in Australia) previously notified in writing by the holder of the AMTN to the Issuer and the Australian Agent.

If a payment in respect of the AMTN is prohibited by law from being made in Australia, such payment will be made in an international financial centre for the account of the relevant payee, and on the basis that the relevant amounts are paid in immediately available funds, freely transferrable at the order of the payee.

For the purposes of this Condition 7(I), in relation to AMTNs, “**Business Day**” has the meaning given in the Australian Agency Agreement.

- (ii) Payments of principal and interest will be made in Sydney in Australian dollars to the persons registered at the close of business in Sydney on the relevant Record Date (as defined below) as the holders of such AMTNs, subject in all cases to normal banking practice and all applicable laws and regulations. Payment will be made by cheques drawn on the Sydney branch of an Australian bank dispatched by post on the relevant payment date at the risk of the Noteholder or, at the option of the Noteholder, by the Australian Agent giving in Sydney irrevocable instructions for the effecting of a transfer of the relevant funds to an Australian dollar account in Australia specified by the Noteholder to the Australian Agent (or in any other manner in Sydney which the Australian Agent and the Noteholder agree).
- (iii) In the case of payments made by electronic transfer, payments will for all purposes be taken to be made when the Australian Agent gives irrevocable instructions in Sydney for the making of the relevant payment by electronic transfer, being instructions which would be reasonably expected to result, in the ordinary course of banking business, in the funds transferred reaching the account of the Noteholder on the same day as the day on which the instructions are given.
- (iv) If a cheque posted or an electronic transfer for which irrevocable instructions have been given by the Australian Agent is shown, to the satisfaction of the Australian Agent, not to have reached the Noteholder and the Australian Agent is able to recover the relevant funds, the Australian Agent may make such other arrangements as it thinks fit for the effecting of the payment in Sydney.

- (v) Interest will be calculated in the manner specified in Condition 4 and will be payable to the persons who are registered as Noteholders at the close of business in Sydney on the relevant Record Date and cheques will be made payable to the Noteholder (or, in the case of joint Noteholders, to the first-named) and sent to their registered address, unless instructions to the contrary are given by the Noteholder (or, in the case of joint Noteholders, by all the Noteholders) in such form as may be prescribed by the Australian Agent. Payments of principal will be made to, or to the order of, the persons who are registered as Noteholders at the close of business in Sydney on the relevant Record Date, subject, if so directed by the Australian Agent, to receipt from them of such instructions as the Australian Agent may require.
- (vi) If any day for payment in respect of any AMTN is not a Business Day, such payment shall not be made until the next day which is a Business Day, and no further interest shall be paid in respect of the delay in such payment.
- (vii) Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto. Neither the Issuer nor the Australian Agent shall be liable to any Noteholder or other person for any commissions, costs, losses or expenses in relation to or resulting from such payments.

In this Condition 7(l) in relation to AMTNs, “**Record Date**” means, in the case of payments of principal or interest, the close of business in Sydney on the date which is the fifteenth calendar day before the due date of the relevant payment of principal or interest.

## 8 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes, the Receipts and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by a Relevant Taxing Jurisdiction or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts (the “**Additional Amounts**”) as shall result in receipt by the Noteholders, Receiptholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such Additional Amounts shall be payable with respect to any Note, Receipt or Coupon:

- (a) **Other connection:** to, or to a third party on behalf of, a holder who is (i) treated as a resident of the Relevant Taxing Jurisdiction or as having a permanent establishment in the Relevant Taxing Jurisdiction for tax purposes or (ii) liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt, Talon or Coupon by reason of his having some connection with the Relevant Taxing Jurisdiction other than the mere holding or ownership of the Note, Receipt, Talon or Coupon or receiving income therefrom, or the enforcement thereof; or
- (b) **Lawful avoidance of withholding:** to, or to a third party on behalf of, a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Note (or the Certificate representing it), Receipt or Coupon is presented for payment; or

- (c) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such Additional Amounts on presenting it for payment on the thirtieth such day; or
- (d) **Payment to an associate:** to, or to a third party on behalf of, a holder of a Note issued by the Issuer through its Australian branch or by a Specified Issuer that is a resident of Australia (and who is not acting through a branch outside of Australia) who is an “associate” (as that term is defined in section 128F(9) of the Income Tax Assessment Act 1936 of Australia) of the Issuer or Specified Issuer, as relevant, and such holder is not acting in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Australian Corporations Act;
- (e) **Australian tax file number/Australian Business Number withholding tax:** to, or to a third party on behalf of, a holder of a Registered Note, if that person has not supplied an appropriate Australian tax file number, Australian Business Number or details of an applicable exemption from these requirements; or
- (f) **Garnishee directions by the Australian Commissioner of Taxation:** to, or to a third party on behalf of, a holder of a Note where such withholding or deduction is required to be made pursuant to a notice or direction issued by the Commissioner of Taxation under section 255 of the Income Tax Assessment Act 1936 of Australia or section 260-5 of Schedule 1 to the Taxation Administration Act 1953 of Australia or any similar law.

For the avoidance of doubt, neither the Issuer nor any other person shall be required to pay any Additional Amounts or otherwise indemnify a holder for any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the United States Internal Revenue Code of 1986, as amended (the “Code”) as amended or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any law implementing such an intergovernmental agreement).

As used in these Conditions,

- (i) “**Relevant Date**” in respect of any Note, Receipt, Talon or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relevant Certificate), Receipt, Talon or Coupon being made in accordance with these Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “principal” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 5 or any amendment or supplement to it, (ii) “interest” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 or any amendment or supplement to it and (iii) “principal” and/or “interest” shall be deemed to include any additional amounts that may be payable under this Condition 8 or any undertaking given in addition to or in substitution for it under the Trust Deed.

- (ii) **“Relevant Taxing Jurisdiction”** means, in respect of Senior Notes, Singapore or any country in which the branch of the Issuer through which the Issuer is issuing the Senior Notes is located or the country of the Specified Issuer and (ii) in respect of Subordinated Notes, Singapore.

*Where interest, discount income, early redemption fee or redemption premium is derived from any of the Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, shall not apply if such person acquires such Notes using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, early redemption fee or redemption premium derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.*

## 9 Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

## 10 Events of Default

### (a) Senior Notes

If any of the following events (**“Events of Default”**) occurs and is continuing, (i) in the case of Senior Notes (other than AMTNs), the Trustee at its absolute discretion may, and if so requested by holders of at least one-quarter in nominal amount of the Senior Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to its being indemnified and/or secured to its satisfaction) give notice to the Issuer that the Senior Notes are, and they shall immediately become, due and payable at their Early Redemption Amount together (if applicable) with accrued interest or (ii) in the case of AMTNs, the holder of an AMTN may, give written notice to the Australian Agent and the Issuer that such AMTN is immediately repayable, whereupon the Early Redemption Amount of such AMTN together (if applicable) with accrued interest to the date of payment shall become immediately due and payable, unless such event of default shall have been remedied prior to the receipt of such notice by the Australian Agent or the Issuer:

- (i) *Non-Payment*: default is made for more than 14 days in the payment on the due date of interest or principal in respect of any of the Senior Notes; or
- (ii) *Breach of Other Obligations*: the Issuer does not perform or comply with any one or more of its other obligations under the Senior Notes, the Trust Deed or the Note (AMTN) Deed Poll, which default has not been remedied within 60 days after notice of such default shall have been given to the Issuer by the Trustee or a holder of the relevant AMTNs; or
- (iii) *Insolvency*: the Issuer is (or is deemed by law or a court of competent jurisdiction to be) insolvent or bankrupt or unable to pay its debts as they fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of its debts, or makes a general assignment or an arrangement or composition with or for the benefit of all its creditors in respect of any such debts or a moratorium is agreed or declared in respect of all or a material part of the debts of the Issuer; or

- (iv) *Winding-up*: an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer, or the Issuer shall apply or petition for a winding-up or administration order in respect of itself or ceases or through an official action of its board of directors threatens to cease to carry on all or a substantial part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation.

(b) **Subordinated Notes**

In the case of the Subordinated Notes:

(i) **Default**

“**Default**”, wherever used in these Conditions, means (except as expressly provided below, whatever the reason for such Default and whether or not it shall be voluntary or involuntary or be effected by the operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body) failure to pay principal of or interest on any Subordinated Note (which default in the case of principal continues for seven Business Days and in the case of interest continues for 14 Business Days) after the due date for such payment.

If a Write-off or conversion has occurred pursuant to, or otherwise in accordance with, Condition 6 or (with respect to a conversion) any applicable Pricing Supplement, such event will not constitute a Default under these Conditions.

(ii) **Enforcement**

If a Default occurs and is continuing, the Trustee may in its absolute discretion institute proceedings in Singapore (but not elsewhere) for the winding-up of the Issuer. The Trustee shall have no right to enforce payment under or accelerate payment of any Subordinated Note in the case of such Default in payment on such Subordinated Note or a default in the performance of any other covenant of the Issuer in such Subordinated Note or in the Trust Deed except as provided for in this Condition 10 and Clause 7 of the Trust Deed.

Subject to the subordination provisions as set out in Condition 3, in Clause 5 and Clause 7.2 of the Trust Deed, if a court order is made or an effective resolution is passed for the winding-up of the Issuer, there shall be payable on the Subordinated Notes after the payment in full of all claims of all Senior Creditors, but in priority to holders of share capital of the Issuer and Additional Tier 1 Capital Securities and/or as otherwise specified in the applicable Pricing Supplement or in a supplement to the Offering Memorandum, such amount remaining after the payment in full of all claims of all Senior Creditors up to, but not exceeding, the nominal amount of the Subordinated Notes together with interest accrued to the date of repayment.

(iii) **Rights and Remedies upon Default**

If a Default in respect of the payment of principal of or interest on the Subordinated Notes occurs and is continuing, the sole remedy available to the Trustee shall be the right to institute proceedings in Singapore (but not elsewhere) for the winding-up of the Issuer. If the Issuer shall default in the performance of any obligation contained in the Trust Deed, other than a Default specified in Condition 10(b)(i), the Trustee and the Noteholders shall be entitled to every right and remedy given hereunder or thereunder or now or hereafter existing at law or in equity or otherwise, provided, however, that the Trustee shall have no right to enforce payment under or accelerate payment of any Subordinated Note except as provided in this Condition 10(b)(iii) and Clause 7.2 of the Trust Deed.

If any court awards money damages or other restitution for any default with respect to the performance by the Issuer of its obligations contained in the Trust Deed, the payment of such money damages or other restitution shall be subject to the subordination provisions set out herein and in Clause 5 and Clause 7.2 of the Trust Deed.

**(iv) Entitlement of the Trustee**

The Trustee shall not be bound to take any of the actions referred to in Condition 10(b)(ii) or Condition 10(b)(iii) or Clause 7.2 of the Trust Deed or any other action under the Trust Deed unless (i) it shall have been so requested by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders or in writing by the holders of at least one-quarter in nominal amount of the Subordinated Notes then outstanding and (ii) it shall have been indemnified and/or secured to its satisfaction.

**(v) Rights of Holders**

No Noteholder shall be entitled to proceed directly against the Issuer or to institute proceedings for the winding-up of the Issuer in Singapore or to prove in any winding-up of the Issuer unless the Trustee, having become so bound to proceed (in accordance with the terms of the Trust Deed) or being able to prove in such winding-up, fails to do so within a reasonable period and such failure shall be continuing, in which case the Noteholder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise.

No remedy against the Issuer, other than as referred to in this Condition 10 and Clause 7 of the Trust Deed, shall be available to the Trustee or any Noteholder whether for the recovery of amounts owing in relation to or arising from the Subordinated Notes and/or the Trust Deed or in respect of any breach by the Issuer of any of its other obligations relating to or arising from the Subordinated Notes and/or the Trust Deed.

## **11 Meetings of Noteholders, Modification and Waiver**

Condition 11(a), Condition 11(b) and Condition 11(c) do not apply to AMTNs.

**(a) Meetings of Noteholders**

The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provision of the Trust Deed. Such a meeting may be convened by Noteholders holding not less than 10% in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes (except as a result of any modification contemplated in Condition 4(o)), (iv) if a Minimum and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown in the applicable Pricing Supplement, to reduce any such Minimum and/or Maximum, (v) to vary any

method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including, in the case of Zero Coupon Notes, the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or the Specified Denomination of the Notes, (vii) to take any steps that as specified in the applicable Pricing Supplement may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (viii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, (ix) to modify Condition 3 in respect of the Subordinated Notes, (x) to modify Condition 5(i) where Condition 5(i) is specified as being applicable in the Pricing Supplement for the relevant Subordinated Notes or (xi) to sanction the exchange or substitution for the Notes of, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other entity in circumstances other than where "Conversion" is specified in the applicable Pricing Supplement and as contemplated by such provisions, in which case the necessary quorum shall be two or more persons holding or representing not less than 75%, or at any adjourned meeting not less than 25%, in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders and Receiptholders.

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 90% in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

The consent or approval of the Noteholders shall not be required in the case of amendments to these Conditions pursuant to Condition 4(o) to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes or for any other variation of these Conditions and/or the Agency Agreement required to be made in the circumstances described in Condition 4(o), where the requirements of Condition 4(o) have been satisfied (including the provision of a certificate to the Trustee, where applicable).

*These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the applicable Pricing Supplement in relation to such Series.*

**(b) Modification of the Trust Deed and waiver**

The Trustee may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed which is, in its opinion, of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provision of law, and (ii) any other modification (except as mentioned in the Trust Deed), and waive or authorise, on such terms as seem expedient to it, any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Notwithstanding any other provision of these Conditions or the Trust Deed, for Notes specified in the applicable Pricing Supplement as being Subordinated Notes, no modification to any Condition or any provision of the Trust Deed may be made without the prior approval of MAS where such modifications could impact the eligibility of the Subordinated Notes as Tier 2 Capital Securities. Any such modification, authorization or waiver shall be binding on the Noteholders, Receiptholders and the Couponholders and, if the Trustee so requires, such waiver or authorization shall be notified by the Issuer to the Noteholders as soon as practicable.

**(c) Entitlement of the Trustee**

In connection with the exercise of its functions (including but not limited to those referred to in this Condition 11(c)) the Trustee shall have regard to the interests of the Noteholders, Receiptholders or Couponholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders, Receiptholders or Couponholders and the Trustee shall not be entitled to require, nor shall any Noteholder, Receiptholders or Couponholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders, Receiptholders or Couponholders.

**(d) Meetings of AMTN holders**

The Note (AMTN) Deed Poll contains provisions for convening meetings of holders of AMTNs to consider any matter affecting their interests.

**12 Enforcement in respect of Senior Notes**

In the case of Senior Notes (that are not AMTNs), at any time after the Senior Notes become due and payable, the Trustee may, in its absolute discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce the terms of the Trust Deed, the Senior Notes, the Receipts and the Coupons, but it need not take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-quarter in nominal amount of the Senior Notes outstanding, and (b) it shall have been indemnified and/or secured to its satisfaction. No Noteholder, Receiptholder or Couponholder in respect of Senior Notes (that are not AMTNs) may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing, in which case such Noteholder, Receiptholder or Couponholder shall have only such rights against the Issuer as those which the Trustee is entitled to exercise. In the case of any AMTN, at any time after such AMTN becomes due and payable, the holder of such AMTN may at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce the terms of the Note (AMTN) Deed Poll and such AMTN.

**13 Indemnification of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

Each Noteholder, Receiptholder and Couponholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial position, creditworthiness, condition, affairs, status and nature of the Issuer and the Trustee shall not at any time have any responsibility for the same and each Noteholder, Receiptholder or Couponholder shall not rely on the Trustee in respect thereof.

The Trustee may accept and rely without liability to Noteholders, Receiptholders or Couponholders on a report, confirmation or certificate or any advice of any accountants, financial advisors, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. Such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee, the Noteholders, Receiptholders and the Couponholders.

## **14 Replacement of Notes, Certificates, AMTN Certificates, Receipts, Coupons and Talons**

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, inter alia, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or Talons) and otherwise as the Issuer or such agent may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

Should any AMTN Certificate be lost, stolen, mutilated, defaced or destroyed, upon written notice of such having been received by the Issuer and the Australian Agent:

- (a) that AMTN Certificate will be deemed to be cancelled without any further formality; and
- (b) the Issuer will, promptly and without charge, issue and deliver, and procure the authentication by the Australian Agent of, a new AMTN Certificate to represent the holding of the AMTNs that had been represented by the original AMTN Certificate.

## **15 Further Issues**

The Issuer may from time to time without the consent of the Noteholders, Receiptholders or Couponholders create and issue further securities either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single Series with the outstanding securities of any Series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Notes include (unless the context requires otherwise) any other securities issued pursuant to this Condition 15 and forming a single Series with the Notes. Any further securities forming a single series with the outstanding securities of any Series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of securities of other Series where the Trustee so decides.

## **16 Notices**

Notices to Noteholders will be valid if published in a daily newspaper of general circulation in Singapore (which is expected to be The Business Times but may be another leading daily English language newspaper with general circulation in Singapore) or for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, on the website of the SGX-ST ([www.sgx.com](http://www.sgx.com)). Any such notice shall be deemed to have been given on the date of publication.

*So long as the Notes are represented by the Global Certificate and the Global Certificate is held on behalf of (i) DTC, Euroclear or Clearstream, the Alternative Clearing System (as defined in the form of the Global Certificate) or CDP, notices to Noteholders shall be given by delivery of the relevant notice to DTC, Euroclear or Clearstream, the Alternative Clearing*

*System or (subject to the agreement of CDP) CDP for communication by it to entitled accountholders in substitution for notification as required by these Conditions or (ii) CMU, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to the persons shown in a CMU Instrument Position Report issued by the Hong Kong Monetary Authority on the business day preceding the date of dispatch of such notice, in each case except that if the Notes are listed on the SGX-ST, and the rules of the SGX-ST so require, notice will in any event be published as provided above.*

A Trigger Event Notice or notice of the issue of a Bail-in Certificate to the holders of any Subordinated Notes shall be deemed to have been validly given on the date on which such notice is published in a daily newspaper of general circulation in Singapore (which is expected to be The Business Times but may be another leading daily English language newspaper with general circulation in Singapore) or so long as the Subordinated Notes are listed on the SGX-ST and the rules of the SGX-ST so require, published on the website of the SGX-ST (www.sgx.com). Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

## **17 Contracts (Rights of Third Parties) Act**

No person shall have any right to enforce any term or condition of the Notes under (i) if the Notes are specified in the applicable Pricing Supplement as being governed by English law, the Contracts (Rights of Third Parties) Act 1999 or (ii) if the Notes are specified in the applicable Pricing Supplement as being governed by Singapore law, Contracts (Rights of Third Parties) Act 2001 of Singapore.

## **18 Governing Law and Jurisdiction**

Condition 18(a), Condition 18(b) and Condition 18(c) do not apply to AMTNs.

### **(a) Governing Law**

The Trust Deed and, if the Notes are specified in the applicable Pricing Supplement as being governed by Singapore law, as supplemented by the Singapore Supplemental Trust Deed, the Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English or Singapore law, as specified in the applicable Pricing Supplement, save that Condition 3(b), Condition 3(c), Condition 3(d), Condition 10(b)(ii) and Condition 10(b)(iii) for Notes specified in the applicable Pricing Supplement as Subordinated Notes are in all cases governed by, and shall be construed in accordance with, Singapore law.

### **(b) Jurisdiction**

- (i) If the Notes are specified in the applicable Pricing Supplement as being governed by English law, the courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons, save that the courts of Singapore shall have exclusive jurisdiction to settle any disputes that may arise out of Conditions 3(b), 3(c), 3(d), 10(b)(ii) and/or 10(b)(iii), and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons ("**Proceedings**") may be brought in such courts. For Notes for which English law is specified as the governing law in the applicable Pricing Supplement, insofar as the Proceedings do not arise out of or are in connection with Conditions 3(b), 3(c), 3(d), 10(b)(ii) and/or 10(b)(iii), the Issuer irrevocably submits to the jurisdiction of the courts of England and waives any

objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the holders of the Notes, Receipts, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not). Insofar as the Proceedings arise out of or are in connection with Conditions 3(b), 3(c), 3(d), 10(b)(ii) and/or 10(b)(iii), all parties irrevocably submit to the exclusive jurisdiction of the courts of Singapore and waive any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

- (ii) If the Subordinated Notes are specified in the applicable Pricing Supplement as being governed by Singapore law, the courts of Singapore are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Subordinated Notes and accordingly any Proceedings shall be brought in such courts. For Subordinated Notes for which Singapore law is specified as the governing law in the applicable Pricing Supplement, all parties irrevocably submit to the exclusive jurisdiction of the courts of Singapore and waive any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

(c) **Service of Process**

For Notes for which English law is specified as the governing law in the applicable Pricing Supplement, the Issuer has in the Trust Deed agreed that its branch in England shall accept service of process on its behalf in respect of any Proceedings in England. If such branch ceases to be able to accept service of process in England, the Issuer shall immediately appoint a new agent to accept such service of process in England.

(d) **AMTNs:**

*This Condition 18(d) shall only apply to AMTNs.*

- (i) The AMTNs, the Australian Agency Agreement and the Note (AMTN) Deed Poll shall be governed by the laws in force in New South Wales, Australia.
- (ii) The courts of New South Wales, Australia and the courts of appeal from them are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with them and any suit, action or proceedings arising out of or in connection with the AMTNs, the Australian Agency Agreement and the Note (AMTN) Deed Poll (together referred to as “**Australian Proceedings**”) may be brought in such courts.
- (iii) For so long as any AMTNs are outstanding, the Issuer agrees that its Sydney branch in Australia shall accept service of process on its behalf in New South Wales, Australia in respect of any Australian Proceedings. In the event there is no such branch, the Issuer shall immediately appoint another agent to accept such service of process in Sydney.