

IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE EITHER (1) QIBs (AS DEFINED BELOW) UNDER RULE 144A UNDER THE SECURITIES ACT (AS DEFINED BELOW) ("RULE 144A") OR (2) NON-U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("REGULATION S")) PURCHASING THE SECURITIES OUTSIDE THE UNITED STATES (THE "U.S.") IN AN OFFSHORE TRANSACTION IN RELIANCE ON REGULATION S.

IMPORTANT: You must read the following before continuing. If you are not the intended recipient of this message, please do not distribute or copy the information contained in this electronic mail ("e-mail"), but instead, delete and destroy all copies of this e-mail, including all attachments. The following applies to the offering memorandum (the "**Offering Memorandum**") following this page, and you are therefore advised to read this carefully before reading, accessing or making any other use of the Offering Memorandum. In accessing the Offering Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE FOLLOWING OFFERING MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS OFFERING MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED.

FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. ANY INVESTMENT DECISION SHOULD BE MADE ON THE BASIS OF THE PRICING SUPPLEMENT AND CONDITIONS OF THE SECURITIES AND THE INFORMATION CONTAINED IN THE OFFERING MEMORANDUM (AS AMENDED AND RESTATED) THAT WILL BE DISTRIBUTED TO YOU PRIOR TO THE PRICING DATE AND NOT ON THE BASIS OF THE ATTACHED DOCUMENTS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.

Confirmation of your Representation: In order to be eligible to view the following Offering Memorandum or make an investment decision with respect to the securities, investors must be either (i) qualified institutional buyers ("**QIBs**") (within the meaning of Rule 144A) or (ii) non-U.S. persons eligible to purchase the securities outside the United States in an offshore transaction in reliance on Regulation S. By accepting the e-mail and accessing the following Offering Memorandum, you shall be deemed to have represented to us that (1) you and any customers you represent are either (a) QIBs or (b) non-U.S. persons eligible to purchase the securities outside the United States in an offshore transaction in reliance on Regulation S and that the e-mail address that you gave us and to which this e-mail has been delivered is not located in the United States and (2) that you consent to the delivery of such Offering Memorandum by electronic transmission.

You are reminded that the following Offering Memorandum has been delivered to you on the basis that you are a person into whose possession the following Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver or disclose the contents of the following Offering Memorandum to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and any Dealer (as described in the Offering Memorandum) or any affiliate of a Dealer is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Dealer or such affiliate on behalf of the Issuer (as described in the Offering Memorandum) in such jurisdiction.

The following Offering Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission, and consequently none of the Issuer, the Sole Arranger (as described in the Offering Memorandum) nor any Dealer nor any person who controls any of them nor any director, officer, employee nor agent of any of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any discrepancies between the Offering Memorandum distributed to you in electronic format and the hard-copy version available to you on request from the Sole Arranger or a Dealer.

You should not reply by e-mail to this notice, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected. You are responsible for protecting this e-mail against viruses and other destructive items. Your use of this e-mail is at your own risk, and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

The Covered Bond Guarantor (as defined in the Offering Memorandum) will be relying on an exclusion or exemption from the definition of "investment company" under the Investment Company Act of 1940, as amended (the "**Investment Company Act**") contained in Section 3(c)(5)(C) of the Investment Company Act, although there may be additional exclusions or exemptions available to the issuing entity. The Covered Bond Guarantor is being structured so as not to constitute a "covered fund" for purposes of the Volcker Rule under the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**").



STANDARD CHARTERED BANK (SINGAPORE) LIMITED

(incorporated with limited liability under the laws of the Republic of Singapore)
(registered in Singapore under registration number 201224747C)

US\$5,000,000,000 Global Covered Bond Programme unconditionally and irrevocably guaranteed as to payments of interest and principal by

BANZU COVERED BONDS PTE. LTD.

(incorporated with limited liability under the laws of the Republic of Singapore)
(registered in Singapore under registration number 202342228G)

On 12 April 2024, Standard Chartered Bank (Singapore) Limited (a limited liability company incorporated in Singapore) ("**SCBSL**" or the "**Issuer**"), established a global covered bond programme (the "**Programme**") and last prepared an offering memorandum dated 21 May 2025. This offering memorandum (the "**Offering Memorandum**") further updates the Programme and supersedes any previous offering memorandum describing the Programme. Any Covered Bonds (as defined below) issued under the Programme on or after the date of this Offering Memorandum are issued subject to the provisions described herein. This does not affect any Covered Bonds issued before the date of this Offering Memorandum.

Under the Programme as described in this Offering Memorandum, the Issuer, in accordance with the Monetary Authority of Singapore (the "**MAS**") Notice 648 on the Issuance of Covered Bonds by Banks Incorporated in Singapore ("**MAS Notice 648**") and subject to compliance with all other relevant laws, regulations and directives, may from time to time issue covered bonds (the "**Covered Bonds**"). The aggregate nominal amount of Covered Bonds outstanding will not at any time exceed US\$5,000,000,000 (or the equivalent in other currencies and subject to increase as provided herein). Banzu Covered Bonds Pte. Ltd. (the "**Covered Bond Guarantor**" or "**CBG**") has guaranteed payments of interest and principal under the Covered Bonds pursuant to a guarantee which is secured over the Portfolio (as defined below) and its other assets (the "**Covered Bond Guarantee**"). Recourse against the Covered Bond Guarantor under the Covered Bond Guarantee is limited to the Portfolio and any other assets of the Covered Bond Guarantor.

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in connection with the Programme and application will be made for permission to deal in, and for the listing and quotation of, any Covered Bonds to be issued which are agreed at the time of issue to be listed on the SGX-ST. The applicable pricing supplement in respect of any issue of Covered Bonds (a "**Pricing Supplement**") will specify whether or not such Covered Bonds will be listed on the SGX-ST or any other stock exchange. There is no guarantee that an application to the SGX-ST will be approved. Approval in-principle from, admission of the Covered Bonds to the Official List of, and the listing and quotation of the Covered Bonds on, the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Programme or such Covered Bonds. The SGX-ST assumes no responsibility for the correctness of any statements made or opinions expressed herein. The Programme provides that the Covered Bonds may be listed on such other or further stock exchange(s) as may be agreed in relation to each series. The Issuer may also issue unlisted Covered Bonds.

The Covered Bonds are complex and high-risk financial instruments and are not a suitable or appropriate investment for all investors. Investing in the Covered Bonds involves risks. Investors should not purchase the Covered Bonds in the primary or secondary markets unless they are professional investors and understand the risks involved. The Covered Bonds are not suitable for retail investors. There are risks inherent in the holding of any Covered Bonds including, for example, risks in relation to the circumstances in which holders of the Covered Bonds (the "**Covered Bondholders**") may suffer loss as a result of holding any Covered Bonds. Prospective investors should have regard to the factors described under the section headed "**Risk Factors**" in this Offering Memorandum for a discussion of certain considerations to be taken into account in connection with an investment in the Covered Bonds.

THE COVERED BONDS AND THE COVERED BOND GUARANTEE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES (THE "U.S."), AND THE COVERED BONDS MAY INCLUDE BEARER COVERED BONDS THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE COVERED BONDS MAY NOT BE OFFERED OR SOLD OR, IN THE CASE OF BEARER COVERED BONDS, DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("REGULATION S")). SEE "SUBSCRIPTION AND SALE**" AND "**TRANSFER RESTRICTIONS**".**

The Covered Bond Guarantor will be relying on an exclusion or exemption from the definition of "investment company" under the Investment Company Act of 1940, as amended (the "**Investment Company Act**") contained in Section 3(c)(5)(C) of the Investment Company Act, although there may be additional exclusions or exemptions available to the issuing entity. The Covered Bond Guarantor is being structured so as not to constitute a "covered fund" for purposes of the Volcker Rule under the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**").

Each Tranche (as defined in "**Summary of the Programme**") of Covered Bonds in bearer form ("**Bearer Covered Bonds**") will be represented on issue by a temporary global Covered Bond in bearer form (each a "**Temporary Global Covered Bond**") or a permanent global Covered Bond in bearer form (each a "**Permanent Global Covered Bond**") and, together with the Temporary Global Covered Bonds, the "**Global Covered Bonds**"), as specified in the applicable Pricing Supplement. Interests in Temporary Global Covered Bonds generally will be exchangeable for interests in Permanent Global Covered Bonds, or, if so stated in the applicable Pricing Supplement, definitive Covered Bonds ("**Definitive Covered Bonds**"), after the date falling 40 days after the later of the commencement of the offering and the relevant issue date of such Tranche upon certification as to non-U.S. beneficial ownership. Interests in Permanent Global Covered Bonds will be exchangeable for Definitive Covered Bonds in whole but not in part. See "**Summary of Provisions Relating to the Covered Bonds while in Global Form**".

Each Series of Covered Bonds in registered form ("**Registered Covered Bonds**") will be represented by registered certificates (each a "**Certificate**"), without interest coupons, and Registered Covered Bonds which are sold in an "offshore transaction" within the meaning of Regulation S ("**Unrestricted Covered Bonds**") will initially be represented by a permanent registered global certificate (each an "**Unrestricted Global Certificate**") without interest coupons, which may be either: (i) deposited on the relevant issue date with a common depositary on behalf of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**") (the "**Common Depositary**"), with The Central Depository (Pte) Limited ("**CDP**"), with a sub-custodian for the Central Money Markets Unit Service operated by the Hong Kong Monetary Authority ("**CMU**") or with a custodian for, and registered in the name of a nominee of, The Depository Trust Company ("**DTC**"); or (ii) delivered outside a clearing system, as agreed among the Issuer, the Agents, the Bond Trustee, the Security Trustee and the relevant Dealer (all as defined herein), if any, or purchaser. Registered Covered Bonds which are sold in the United States to "qualified institutional buyers" (each a "**QIB**") within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act ("**Restricted Covered Bonds**") will initially be represented by a permanent registered global certificate (each a "**Restricted Global Certificate**" and, together with the "**Unrestricted Global Certificate**", the "**Global Certificates**"), without interest coupons, which may be deposited on the relevant issue date with a custodian (the "**Custodian**") for, and registered in the name of Cede & Co. as nominee for, DTC. Beneficial interests in Global Covered Bonds or Certificates held in book-entry form through Euroclear or Clearstream will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear or Clearstream, as the case may be. Beneficial interests in Global Covered Bonds or Certificates held in book-entry form through CDP will be shown on, and transfers thereof will be effected only through, records maintained by CDP. Beneficial interests in Global Covered Bonds or Certificates held in book-entry form through the CMU will be shown on, and transfers thereof will be effected only through, records maintained by the CMU. Beneficial interests in Registered Covered Bonds represented by Global Certificates held through DTC will be shown on, and transfers thereof will be effected only through, records maintained by DTC. The provisions governing the exchange of interests in Global Covered Bonds for other Global Covered Bonds and Definitive Covered Bonds are described in "**Summary of Provisions Relating to the Covered Bonds while in Global Form**". Certain provisions governing restrictions on transfer of Registered Covered Bonds are described in "**Transfer Restrictions**".

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

The Covered Bonds issued under the Programme are expected on issue to be assigned an "AAA" rating by S&P Global Ratings Australia Pty Ltd, and its affiliates and successors ("**S&P**") and an "Aaa" rating by Moody's Investors Service Singapore Pte. Ltd. ("**Moody's**"). Each Tranche of Covered Bonds issued under the Programme may be rated or unrated. The rating of an issue of Covered Bonds will not necessarily be the same as the rating applicable to the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision, downgrade or withdrawal at any time by the assigning rating agency.

This Offering Memorandum is not a prospectus for the purposes of Regulation (EU) 2017/1129 (as amended or superseded, the "**Prospectus Regulation**") or the FCA Handbook Prospectus Rules: Admission to Trading on a Regulated Market sourcebook ("**PRM**") made in accordance with the Public Offers and Admissions to Trading Regulations 2024 (the "**POATRs**", and together with the PRM, the "**UK Prospectus Regime**").

Solo Arranger

Standard Chartered Bank (Singapore) Limited

Programme Dealers

Standard Chartered Bank

Standard Chartered Bank (Singapore) Limited

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IMPORTANT

If you are in any doubt about this Offering Memorandum, you should consult your broker, dealer, bank manager, solicitor, certified public accountant or other professional adviser.

This Offering Memorandum is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "*Documents Incorporated by Reference*" below) including any Pricing Supplement. This Offering Memorandum shall be read and construed on the basis that such documents are so incorporated and form part of this Offering Memorandum.

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

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

UK MiFIR PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – The Pricing Supplement in respect of any Covered Bonds may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Covered Bonds and which channels for distribution of the Covered Bonds are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to the Financial Conduct Authority ("**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 Covered Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

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

IMPORTANT – EEA RETAIL INVESTORS – If the Pricing Supplement in respect of any Covered Bonds includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Covered Bonds 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 in the EEA means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT – UK RETAIL INVESTORS – If the Pricing Supplement in respect of any Covered Bonds includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Covered Bonds are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor in the UK means a person who is either one (or both) of the following: (i) not 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 in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs. Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("DISC") for offering, selling or distributing the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.

Product classification pursuant to Section 309B of the Securities and Futures Act 2001 – The Pricing Supplement in respect of any Covered Bond may include a legend entitled "Section 309B(1)(C) of the Securities and Futures Act Product Notification" which will state the product classification of the Covered Bonds pursuant to Section 309B(1) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "SFA"). If applicable, the Issuer will make a determination and provide the appropriate written notification to "relevant persons" (as defined in section 309A(1) of the SFA) in relation to each issue about the classification of the Covered Bonds being offered for the purposes of Section 309B(1)(a) and Section 309B(1)(c) of the SFA.

Notice to Capital Market Intermediaries and Prospective Investors pursuant to Paragraph 21 of the Hong Kong SFC Code of Conduct – Prospective investors should be aware that certain intermediaries in the context of certain offerings of Covered Bonds pursuant to this Programme (each such offering a "CMI Offering"), including certain Dealers, may be "capital market intermediaries" ("CMIs") subject to Paragraph 21 of the Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission (the "SFC Code"). This notice to prospective investors is a summary of certain obligations the SFC Code imposes on such CMIs, which require the attention and cooperation of prospective investors. Certain CMIs may also be acting as "overall coordinators" (together, the "OCs") for a CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, the Covered Bond Guarantor, a CMI or its group companies would be considered under the SFC Code as having an association ("Association") with the Issuer, the Covered Bond Guarantor, the CMI or the relevant group company. Prospective investors associated with the Issuer, the Covered Bond Guarantor or any CMI (including its group companies) should specifically disclose this when placing an order for the relevant Covered Bonds and should disclose, at the same time, if such orders may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not disclose their Associations are hereby deemed not to be so associated. Where prospective investors disclose their Associations but do not disclose that such order may negatively impact the price discovery process in relation to the relevant CMI Offering, such order is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should ensure, and by placing an order prospective investors are deemed to confirm, that orders placed are *bona fide*, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). A rebate may be offered by the Issuer to all private banks for orders they place (other than in relation to Covered Bonds subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of the relevant CMI Offering based on the principal amount of the Covered Bonds distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate. Details of any such rebate will be set out in the applicable Pricing Supplement or otherwise notified to prospective investors. If a prospective investor is an asset management arm affiliated with any relevant Dealer, such prospective investor should indicate when placing an order if it is for a fund or portfolio where the relevant Dealer or its group company has more than 50% interest, in which case it will be classified as a "proprietary order" and subject to appropriate handling by CMIs in accordance with the SFC Code and should disclose, at the same time, if such "proprietary order" may negatively impact the price discovery process in relation to the relevant CMI Offering. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". If a prospective investor is otherwise affiliated with any relevant Dealer, such that its order may be considered to be a "proprietary order" (pursuant to the SFC Code), such prospective investor should indicate to the relevant Dealer when placing such order. Prospective investors who do not indicate this information when placing an order are hereby deemed to confirm that their order is not a "proprietary order". Where

prospective investors disclose such information but do not disclose that such "proprietary order" may negatively impact the price discovery process in relation to the relevant CMI Offering, such "proprietary order" is hereby deemed not to negatively impact the price discovery process in relation to the relevant CMI Offering.

Prospective investors should be aware that certain information may be disclosed by CMIs (including private banks) which is personal and/or confidential in nature to the prospective investor. By placing an order, prospective investors are deemed to have understood and consented to the collection, disclosure, use and transfer of such information by the relevant Dealer and/or any other third parties as may be required by the SFC Code, including to the Issuer, any OCs, relevant regulators and/or any other third parties as may be required by the SFC Code, it being understood and agreed that such information shall only be used for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. Failure to provide such information may result in that order being rejected.

The Issuer accepts responsibility for the information contained in this Offering Memorandum. The Covered Bond Guarantor only accepts responsibility for the information contained in the section entitled "*The Covered Bond Guarantor*" of this Offering Memorandum. To the best of the knowledge and belief of the Issuer and the Covered Bond Guarantor, only in relation to the information for which it is responsible (each having taken all reasonable care to ensure that such is the case), the information contained in this Offering Memorandum is in accordance with the facts as at the date of this Offering Memorandum (or the date as indicated in the relevant sections) and does not omit any material information likely to affect the import of such information. Neither the delivery of this Offering Memorandum nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer and/or the Covered Bond Guarantor since the date hereof (or the date as indicated in the relevant sections) or the date upon which this Offering Memorandum has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer and/or the Covered Bond Guarantor since the date hereof or the date upon which this Offering Memorandum has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as at any time after the date on which it is supplied or, if different, the date indicated in the document containing the same.

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

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

THE COVERED BONDS AND THE COVERED BOND GUARANTEE HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF COVERED BONDS OR THE ACCURACY OR ADEQUACY OF THIS OFFERING MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

Neither this Offering Memorandum nor any information supplied in connection with the Programme constitutes an offer of, or an invitation by or on behalf of the Issuer, the Covered Bond Guarantor, the Sole Arranger or any Dealer to subscribe for or purchase, any Covered Bonds.

Subject as provided in the applicable Pricing Supplement, the only persons authorised to use this Offering Memorandum in connection with an offer of Covered Bonds are the persons named in the applicable Pricing Supplement as the relevant Dealer or any other persons named in the section "*Non-exempt Offer*" of the Pricing Supplement (if any), as the case may be.

To the fullest extent permitted by law, none of the Sole Arranger, any Dealer, the Bond Trustee, the Security Trustee or any Agent accepts any responsibility for the contents of this Offering Memorandum or for any other statement, made or purported to be made by the Sole Arranger or a Dealer or on its behalf in connection with the Issuer, the Covered Bond Guarantor or the issue and offering of the Covered Bonds. The Sole Arranger, each Dealer, the Covered Bond Guarantor (other than in respect of the section entitled "*The Covered Bond Guarantor*"), the Bond Trustee, the Security Trustee and each Agent accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Offering Memorandum or any such statement. Neither this Offering Memorandum nor any other financial statements or documents incorporated by reference are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Covered Bond Guarantor, the Sole Arranger or any Dealers that any recipient of this Offering Memorandum or any other financial statements should purchase the Covered Bonds. Each potential purchaser of Covered Bonds should determine for itself the relevance of the information contained in this Offering Memorandum and its purchase of Covered Bonds should be based on such investigation as it deems necessary. None of the Sole Arranger, any Dealer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee or any Agent undertakes to review the financial condition or affairs of the Issuer or the Covered Bond Guarantor during the life of the arrangements contemplated by this Offering Memorandum nor to advise any investor or potential investor in the Covered Bonds of any information coming to their attention. Investors should review, *inter alia*, the most recently published documents incorporated by reference into this Offering Memorandum when deciding whether or not to purchase any Covered Bonds.

By receiving this Offering Memorandum, investors acknowledge that (i) they have been afforded an opportunity to request and to review, and have received, all information that investors consider necessary to verify the accuracy of, or to supplement, the information contained in this Offering Memorandum, (ii) they have not relied on the Sole Arranger, any Dealer, the Covered Bond Guarantor (other than in respect of the section entitled "*The Covered Bond Guarantor*"), the Bond Trustee, the Security Trustee nor any Agent nor any person affiliated with the Sole Arranger, any Dealer, the Covered Bond Guarantor (other than in respect of the section entitled "*The Covered Bond Guarantor*"), the Bond Trustee, the Security Trustee or any Agent in connection with their investigation of the accuracy of any information in this Offering Memorandum or their investment decision, and (iii) no person has been authorised to give any information or to make any representation concerning the issue or sale of the Covered Bonds or the Issuer other than as contained in this Offering Memorandum and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Issuer, the Covered Bond Guarantor, the Sole Arranger, the Dealers, the Bond Trustee, the Security Trustee or the Agents (each as defined in "*Summary of the Programme*"). This Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy any Covered Bonds in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Offering Memorandum and the offer or sale of Covered Bonds may be restricted by law in certain jurisdictions. The Issuer, the Covered Bond Guarantor, the Sole Arranger, the Dealers, the Bond Trustee, the Security Trustee and the Agents do not represent that this Offering Memorandum may be lawfully distributed, or that any Covered Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Covered Bond Guarantor, the Sole Arranger, the Dealers, the Bond Trustee, the Security Trustee or the Agents which would permit a public offering of any Covered Bonds or distribution of this Offering Memorandum in any jurisdiction where action for that purpose is required. Accordingly, no Covered Bonds may be offered or sold, directly or indirectly, and neither this Offering Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering Memorandum or any Covered Bonds may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Memorandum and the offering

and sale of Covered Bonds. In particular, there are restrictions on the distribution of this Offering Memorandum and the offer or sale of Covered Bonds in the United States, the EEA, the UK, Hong Kong, Japan, Singapore, Australia and Indonesia, see "*Subscription and Sale*".

ADDITIONAL U.S. INFORMATION

This Offering Memorandum is being submitted on a confidential basis in the United States to a limited number of QIBs for informational use solely in connection with the consideration of the purchase of the Covered Bonds being offered hereby. Its use for any other purpose in the United States is not authorised. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

CERTAIN DEFINED TERMS AND CONDITIONS AND PRESENTATION OF FINANCIAL AND OTHER INFORMATION

In this Offering Memorandum, unless otherwise specified or the context otherwise requires, all references to "**Singapore dollars**", "**S\$**" and "**SGD**" are to the lawful currency of Singapore, all references to "**U.S. dollars**", "**US\$**" and "**USD**" are to the lawful currency of the United States of America, all references to "**EUR**" are to the lawful currency of the member states of the European Union that have adopted or may adopt the single currency in accordance with the treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the treaty on European Union, all references to "**Hong Kong dollars**" and "**HKD**" are to the lawful currency of Hong Kong, all references to "**RMB**", "**Renminbi**" and "**CNY**" are to the lawful currency of China, all references to "**Sterling**" and "**GBP**" are to the lawful currency of the UK and all references to "**Australian dollars**" and "**AUD**" are to the lawful currency of Australia. References to "**Greater China**" are to the People's Republic of China, Macau, Taiwan and Hong Kong. References to "**China**" are to the People's Republic of China.

As used in this Offering Memorandum, "**SCPLC**" refers to Standard Chartered PLC, "**SCB**" refers to Standard Chartered Bank, "**SCBSL**" refers to Standard Chartered Bank (Singapore) Limited (which is a wholly-owned subsidiary of SCB), "**SCPLC Group**" refers to SCPLC, its subsidiaries and its subsidiary undertakings and "**SCBSL Group**" refers to SCBSL and its consolidated subsidiaries. The SCBSL Group does not publish audited consolidated financial information otherwise than on an annual basis. References in this Offering Memorandum to "**2023**", "**2024**" and "**2025**" refer to the SCBSL Group's financial years ended 31 December 2023, 2024 and 2025, respectively. Unless specified otherwise or the context otherwise requires, all references to "**loans**" refer to loans net of cumulative allowances.

In this Offering Memorandum, all of the SCBSL Group's financial information is presented on a consolidated basis, unless stated otherwise. The audited consolidated financial statements of the SCBSL Group are prepared in accordance with the Singapore Financial Reporting Standards (International) ("**SFRS(I)**"). The SFRS(I) is equivalent to International Financial Reporting Standards ("**IFRS**") but differ in certain material respects from generally accepted accounting principles in the United States ("**U.S. GAAP**"). Accordingly, these financial statements and reported earnings could be different from those which would be reported under U.S. GAAP. Such differences may be material. This Offering Memorandum does not contain a reconciliation of the SCBSL Group's consolidated financial statements to U.S. GAAP nor does it contain any information in relation to the differences between SFRS(I) and U.S. GAAP. Had the consolidated financial statements and other financial information been prepared in accordance with U.S. GAAP, the results of operations and financial position of the SCBSL Group may have been materially different. Investors should consult their own professional advisers for an understanding of the differences between SFRS(I) and U.S. GAAP and the generally accepted accounting principles of other jurisdictions and how those differences might affect the financial information contained in this Offering Memorandum. The SCBSL Group's audited consolidated financial statements as at and for the years ended 31 December 2024 and 31 December 2025 are included in this Offering Memorandum, beginning on pages F-192 and F-2, respectively.

In this Offering Memorandum, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted as of the date of this Offering Memorandum.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding.

In connection with the issue of any Tranche (as defined in "*Summary of the Programme*"), the Dealer or Dealers (if any) named as the stabilisation coordinator(s) (the "**Stabilisation Coordinator(s)**") (or persons acting on behalf of any Stabilisation Coordinator(s)) in the applicable Pricing Supplement may over-allot Covered Bonds or effect transactions with a view to supporting the market price of the Covered Bonds at a level higher than that which might otherwise prevail for a limited period of time after the relevant issue date. However, there is no assurance that the Stabilisation Coordinator(s) (or persons acting on behalf of any Stabilisation Coordinator(s)) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the Pricing Supplement of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation

Coordinator(s) (or persons acting on behalf of any Stabilisation Coordinator(s)) in accordance with all applicable laws, regulations and rules.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents (including those published or issued from time to time after the date hereof) shall be deemed to be incorporated in, and to form part of, this Offering Memorandum:

- (a) each Pricing Supplement;
- (b) the most recently published audited annual consolidated financial statements of the SCBSL Group (including the auditors' report thereon and notes thereto) and the most recently published consolidated financial statements of the SCBSL Group (whether audited or unaudited but reviewed), in each case published subsequently to the date of this Offering Memorandum from time to time; and
- (c) all supplements or amendments to this Offering Memorandum circulated by the Issuer from time to time,

save that any statement contained hereunder or in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Offering Memorandum to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Memorandum. Copies of the documents listed in (b) above which are deemed to be incorporated by reference in this Offering Memorandum may be obtained at the SGX-ST's website at www.sgx.com.

Any website referenced in this Offering Memorandum is intended as a guide as to where other public information relating to the Issuer, the SCBSL Group and the SCPLC Group may be obtained free of charge. Save as stated above, the information appearing on such websites does not form part of nor shall be deemed to have been incorporated by reference into this Offering Memorandum or any applicable Pricing Supplement and none of the Issuer, the SCBSL Group, the SCPLC Group, the Bond Trustee, the Security Trustee, the Sole Arranger and any Dealer or any of their respective directors, officers, employees, representatives, advisers or agents, or any affiliate of any such person accepts any responsibility whatsoever that any such information, if available, is accurate and/or up-to-date. Such information, if available, should not form the basis of any investment decision by an investor to purchase or deal in the Covered Bonds.

SUPPLEMENTAL OFFERING MEMORANDUM

If at any time the Issuer shall be required to prepare a supplemental Offering Memorandum, the Issuer will prepare and make available an appropriate amendment or supplement to this Offering Memorandum or a further Offering Memorandum.

AVAILABLE INFORMATION

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

ENFORCEABILITY OF JUDGMENTS

SCBSL is a company incorporated with limited liability under the laws of the Republic of Singapore and registered in Singapore under registration number 201224747C. Most of the Directors of the Issuer are not residents of the United States, and all or a substantial portion of the assets of the Issuer are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer or such persons or to enforce against any of them in the United States court,

judgments obtained in United States courts, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state or territory within the United States. See *"Risk Factors – Risks Relating to the SCBSL Group – An investor may experience difficulties in enforcing civil liabilities under U.S. federal securities laws against the SCBSL Group, the Directors and executive officers of SCBSL and certain other parties."* for more details.

FORWARD-LOOKING STATEMENTS

This Offering Memorandum contains forward-looking statements. When used in this Offering Memorandum, the words "estimate", "project", "intend", "anticipate", "believe", "expect", "should" and similar expressions, as they relate to the Issuer, its subsidiaries and management and/or the Covered Bond Guarantor, are intended to identify such forward-looking statements. These statements concern, or may affect, future matters. These may include the Issuer's and its subsidiaries' future strategies, business plans and results and are based on the current expectations of the Directors of the Issuer. They are subject to a number of risks and uncertainties that might cause actual results and outcomes to differ materially from expectations outlined in these forward-looking statements. These risks and uncertainties include, but are not limited to:

- a global or regional financial crisis or financial instability in the countries where the SCBSL Group does business;
- any substantial increase in non-performing assets and allowances;
- a decline in collateral values or inability to realise collateral value;
- liquidity shortfalls;
- the impact of a downgrade to the credit ratings of the SCBSL Group and SCB;
- changes in the fair value of certain financial instruments recorded at fair value;
- the different risks and challenges relating to the SCBSL Group's operations in, and further expansion into, diverse markets in and outside of Asia;
- the regulation and reform of reference rates;
- the risks arising from new business structures, technology channels and competition;
- significant security breaches, data theft, cyber-attacks, systems failure or calamities, and fraud or other misconduct by employees or third parties;
- legal, regulatory and compliance risks;
- operational and technology risks; and
- the success of managing the risks of the foregoing.

Given the risks and uncertainties that may cause the actual future results, performance or achievements of the Issuer or the SCBSL Group to be materially different from the results, performance or achievements expected, expressed or implied by the forward-looking statements in this Offering Memorandum, investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as at the date hereof (or the date as indicated in the relevant sections). Neither the Issuer nor the SCBSL Group nor the Covered Bond Guarantor represents or warrants that the actual future results, performance or achievements of the Issuer or the SCBSL Group will be as discussed in those statements. Neither the delivery of this Offering Memorandum (or any part thereof) nor the issue, offering, purchase or sale of any Covered Bonds shall, under any circumstances, constitute a continuing representation or create any suggestion or implication that there has been no change or that there will not be a change in the affairs of the Issuer or the SCBSL Group or any statement of fact or information contained in this Offering Memorandum since the date of this Offering Memorandum or the date on which this Offering Memorandum has been most recently amended or supplemented.

The Issuer and the Covered Bond Guarantor disclaim any responsibility and do not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. The information contained in this Offering Memorandum, including without limitation the information under "*Risk Factors*", identifies important factors in addition to those referred to above that could cause differences.

SUMMARY

The following summary is qualified in its entirety by, and is subject to, the more detailed information and financial statements contained or referred to elsewhere in this Offering Memorandum, including the sections regarding "Management's Discussion and Analysis of Financial Condition and Results of Operations of the SCBSL Group", "Description of the Business of the SCBSL Group", "Description of the Assets and Liabilities of the SCBSL Group" and "Governance and Management". To understand the terms of the Covered Bonds, investors should carefully read the sections of this Offering Memorandum entitled "Terms and Conditions of the Covered Bonds" and the risks of investing in the Covered Bonds under "Risk Factors" and the applicable Pricing Supplement.

The SCPLC Group is one of the leading international banking and financial services group globally with more than 160 years of history. The SCPLC Group is focused on the markets of Asia, Africa, the Middle East, Europe and the Americas. As of 31 December 2025, the SCPLC Group has more than 81,000 employees across 54 markets. SCPLC's ordinary shares and preference shares are listed on the Official List and traded on the London Stock Exchange. SCPLC's ordinary shares are also listed on the Hong Kong Stock Exchange. SCPLC had a market capitalisation of approximately GBP40.9 billion based on the closing price per ordinary share on the London Stock Exchange as at 31 December 2025.

SCBSL was incorporated in Singapore in October 2012 and is licensed by the MAS as a bank with qualifying full bank privileges to engage in banking business in Singapore. SCBSL is an indirect wholly owned subsidiary of SCB, which in turn is wholly owned by SCPLC as the ultimate holding company.

The SCPLC Group has been present in Singapore for more than 167 years, having opened its first branch in Singapore in 1859. In 2019, the SCPLC Group fully consolidated the business operations in Singapore with SCBSL and in 2020, SCBSL was the first bank to be accorded enhanced Significant Rooted Foreign Bank privileges by the MAS. SCBSL is also the first domestic systemically important bank in Singapore to incorporate all its businesses in Singapore, and the largest foreign banking subsidiary in Singapore. As at 31 December 2025, SCBSL Group had S\$199.6 billion in total assets, S\$83.8 billion in loans and advances to customers, S\$148.8 billion in deposits of non-bank customers and S\$12.8 billion in total shareholders' equity (excluding non-controlling interests).

The SCBSL Group is headquartered in Singapore and has an operational presence in Malaysia, Vietnam and Thailand. On 1 September 2021, SCBSL formed an ASEAN hub with Standard Chartered Bank (Malaysia) Berhad ("**SCBMB**") and SCBMB became a wholly owned subsidiary of SCBSL. The formation of the Singapore-based ASEAN corporate entity hub was subsequently completed following the transfers of Standard Chartered Bank (Thai) Public Company Limited ("**SCBTH**") and Standard Chartered Bank (Vietnam) Limited ("**SCBVN**") to SCBSL on 1 November 2021 and 1 December 2021 respectively.

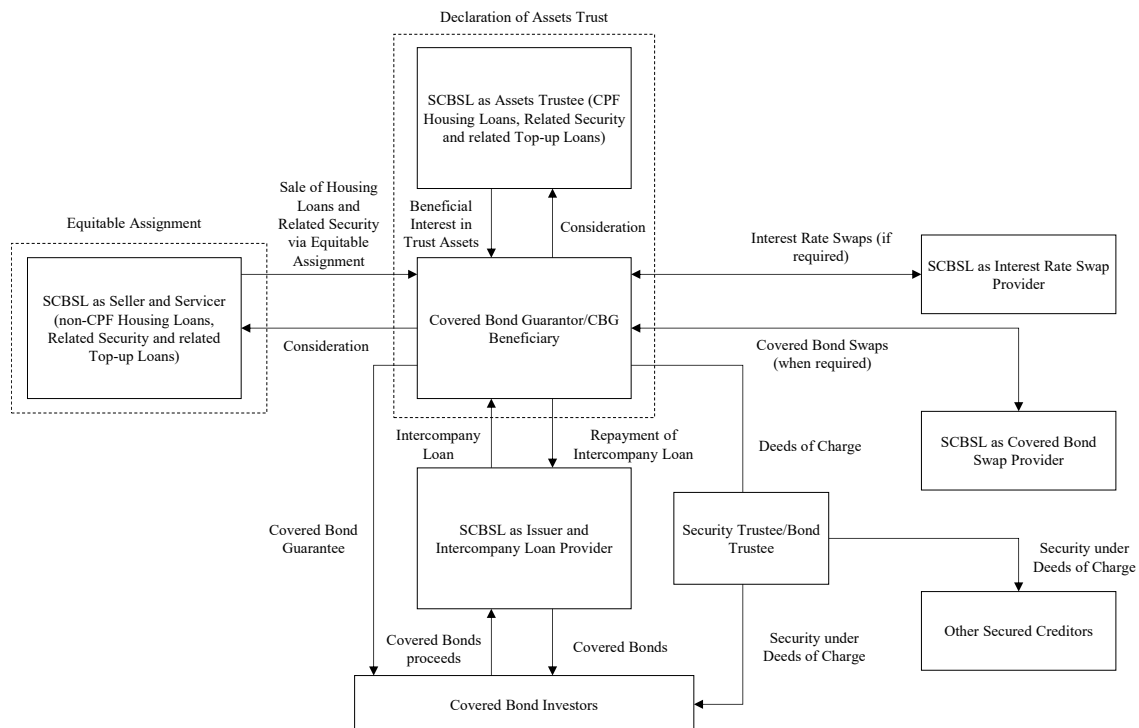
SCBSL is a highly rated commercial bank with issuer ratings of "A+" from Fitch, "A1" from Moody's and "A+" from Standard & Poor's. SCBSL's credit ratings have stable outlooks from Fitch, Moody's and Standard & Poor's.

STRUCTURE OVERVIEW

This Structure Overview describes the Programme, including the Covered Bonds, the Covered Bond Guarantee and related documents, in general terms only and does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Memorandum and, in relation to the terms and conditions of any particular Series or Tranche of Covered Bonds, the applicable Pricing Supplement. This Structure Overview must be read as an introduction to this Offering Memorandum and any decision to invest in any Covered Bonds should be based on a consideration of this Offering Memorandum as a whole, including the documents incorporated by reference.

Words and expressions defined elsewhere in this Offering Memorandum shall have the same meanings in this Structure Overview. A glossary of certain defined terms used herein is contained at the end of this Offering Memorandum.

Structure Diagram



Structure Overview

- (a) **Programme:** Under the terms of the Programme, the Issuer will issue Covered Bonds to the Covered Bondholders on each Issue Date. The Covered Bonds will be direct, unsecured and unsubordinated obligations of the Issuer.
- (b) **Covered Bond Guarantee:** Under the terms of the Bond Trust Deed, the Covered Bond Guarantor has provided a guarantee as to payments of interest and principal under the Covered Bonds. The Covered Bond Guarantor has agreed to pay an amount equal to the Guaranteed Amounts when the same shall become Due for Payment (but which would otherwise be unpaid by the Issuer). The obligations of the Covered Bond Guarantor under the Covered Bond Guarantee constitute direct, unsubordinated and (following the service of a Notice to Pay on the Covered Bond Guarantor or, if earlier, the service on the Issuer and the Covered Bond Guarantor of a Covered Bond Guarantor Acceleration Notice) unconditional obligations of the Covered Bond Guarantor, secured as provided in the Deeds of Charge. Subject as provided in the Bond Trust Deed, the Bond Trustee must serve a Notice to Pay on the Covered Bond Guarantor following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice. Following the service of a Notice to Pay but prior to the service of a Covered Bond Guarantor Acceleration Notice, payments made by the Covered Bond Guarantor under the Covered Bond Guarantee will be made subject to, and in accordance with, the Guarantee Priority of Payments. A Covered Bond Guarantor Acceleration

Notice may be served by the Bond Trustee on the Issuer and the Covered Bond Guarantor following the occurrence of a Covered Bond Guarantor Event of Default.

If a Covered Bond Guarantor Acceleration Notice is served, the Covered Bonds will become immediately due and payable as against the Issuer and the Covered Bond Guarantor's obligations under the Covered Bond Guarantee will be accelerated. Payments made by the Security Trustee will be made subject to, and in accordance with, the Post-Enforcement Priority of Payments. The recourse of the Covered Bondholders to the Covered Bond Guarantor under the Covered Bond Guarantee will be limited to the assets of the Covered Bond Guarantor from time to time.

- (c) *Intercompany Loan Agreement*: Under the terms of the Intercompany Loan Agreement, the Issuer in its capacity as lender under the Intercompany Loan Agreement (the "**Intercompany Loan Provider**") has agreed to make available to the Covered Bond Guarantor and the CBG Beneficiary the Intercompany Loan in an amount up to the Intercompany Loan Facility Amount. The Intercompany Loan comprises the Guarantee Loan and the Demand Loan and is denominated in Singapore dollars.

The interest rate on each Advance under the Intercompany Loan is such rate of interest per annum to be determined by the Intercompany Loan Provider from time to time. Interest payments due and accruing under the Intercompany Loan will not exceed the aggregate of the income of the Covered Bond Guarantor less certain expenses.

The Guarantee Loan, at any relevant time, is in an amount equal to (A) (a) the SGD Equivalent of the outstanding nominal amount of the Covered Bonds at that time, plus (b) an amount equal to the aggregate principal amount outstanding (or, in the case of assets in the form of Loans (other than Converted Loans and Affected BB Loans), the Principal Balance) of additional assets in excess of (a) above, as required to satisfy (and determined in accordance with) the Asset Coverage Test, minus (B) the outstanding principal amount of the Subordinated Loan (excluding, for the avoidance of doubt, interest and other non-principal amounts thereunder). See "*Summary of the Principal Documents – Intercompany Loan Agreement*" and "*Summary of the Principal Documents – Establishment Deed – Asset Coverage Test*".

The Demand Loan at any relevant time is in an amount equal to the difference between the outstanding principal amount of the Intercompany Loan and the principal amount of the Guarantee Loan at that time. Except as described below, the respective balances of the Guarantee Loan and the Demand Loan will fluctuate with the issuances and redemptions of Covered Bonds and the requirements of the Asset Coverage Test.

If a Notice to Pay or a Covered Bond Guarantor Acceleration Notice is served on the Covered Bond Guarantor or a Demand Loan Repayment Event occurs, the amount of the Demand Loan and the Guarantee Loan will be fixed as at the date on which the Asset Percentage is fixed and thereafter only adjusted to reflect permitted repayments (which will be deducted first from the Demand Loan), further Advances or Deemed Advances (which will be added to the Guarantee Loan), any reduction in the Set-off Amount as a result of the occurrence of any of the events set out in paragraph (c) of the definition of "Set-off Amount" (which will be deducted from the Guarantee Loan and added to, and constitute, the Demand Loan), an increase in the Principal Balance of a Loan comprised in the Portfolio due to Capitalised Interest, any increase in the amount of the Demand Loan and the corresponding reduction in the amount of the Guarantee Loan as a result of a Non-CPF Loan becoming a Converted Loan or an Affected BB Loan and any increase in the amount of the Guarantee Loan and the corresponding reduction in the amount of the Demand Loan necessary to satisfy or cure a breach of the Asset Coverage Test immediately before repayment of the Demand Loan.

At any time prior to an Issuer Event of Default, a Covered Bond Guarantor Event of Default or a Demand Loan Repayment Event, the Covered Bond Guarantor may re-borrow any amount repaid by the Covered Bond Guarantor under the Intercompany Loan for a permitted purpose.

Payments by the Issuer of amounts due under the Covered Bonds are not conditional upon receipt by the Intercompany Loan Provider of payments from the Covered Bond Guarantor pursuant to the Intercompany Loan Agreement. Amounts owed by the Covered Bond Guarantor under the Guarantee Loan will be subordinated to amounts owed by the Covered Bond Guarantor under the

Demand Loan and, following the service of a Notice to Pay or a Covered Bond Guarantor Acceleration Notice, the Covered Bond Guarantee. In all cases, repayment of the Demand Loan will be provided for in priority to amounts owed by the Covered Bond Guarantor to the other Secured Creditors (including the Covered Bondholders). Repayment of such Demand Loan may (at the discretion of the Intercompany Loan Provider) (and, following the service of a Notice to Pay or a Covered Bond Guarantor Acceleration Notice, shall only) be made by payment in kind, by the Servicer and the Cash Manager randomly selecting, on behalf of the Covered Bond Guarantor, but in accordance with the terms of the Intercompany Loan Agreement, Loans and their Related Security and/or Authorised Investments and/or Substitution Assets (other than cash) which will be transferred to the Intercompany Loan Provider or, (in respect of Non-CPF Loans and their Related Security) if the Seller and the Intercompany Loan Provider are the same entity and title to the Loans and their Related Security has not been perfected, the equitable rights, estate, title, interests, benefits and remedies of the Covered Bond Guarantor or the CBG Beneficiary (as the case may be) in such Loans and their Related Security, Authorised Investments and Substitution Assets (as the case may be) will be reassigned, released and surrendered to the Intercompany Loan Provider and (in respect of CPF Loans and their Related Security) where the Assets Trustee and the Intercompany Loan Provider are the same entity and the CBG Beneficiary has not surrendered its beneficial interest in such CPF Loans and their Related Security to the Intercompany Loan Provider, the CBG Beneficiary shall direct the Assets Trustee to accept the surrender of its beneficial interest in the relevant CPF Loans and their Related Security (which are subject to an Assets Trust) such that they vest completely in favour of the Assets Trustee in its capacity as the Intercompany Loan Provider, and the Security granted over such Loans and their Related Security, Authorised Investments and Substitution Assets will be automatically released. See "*Summary of the Principal Documents – Intercompany Loan Agreement – Repayment of the Demand Loan*".

- (d) *Proceeds of the Intercompany Loan:* The Covered Bond Guarantor will use the Advances made to it from time to time under the Intercompany Loan to purchase the Portfolio consisting of Loans and their Related Security from the Seller in accordance with the terms of the Mortgage Sale Agreement, to acquire an interest in the Trust Assets in accordance with the terms of the Declaration of Assets Trust and if the initial Advance exceeds the Initial Purchase Price, make a deposit of the excess amount of the Advance in the Transaction Account, and will use additional Advances:
- (i) to purchase New Loans (which are Non-CPF Loans) and their Related Security from the Seller in accordance with the terms of the Mortgage Sale Agreement;
 - (ii) to make Additional Contributions to the Assets Trustee to acquire New Loans (which are CPF Loans) and their Related Security from the Seller pursuant to the terms of the Declaration of Assets Trust;
 - (iii) to invest in Authorised Investments and/or Substitution Assets, in each case in accordance with the Establishment Deed;
 - (iv) subject to written confirmation from the Cash Manager that the Asset Coverage Test is met on the relevant drawdown date (both before and immediately following the making of the relevant Advance), to repay Subordinated Advances, if any, under the Subordinated Loan Agreement; and/or
 - (v) to make a deposit of the proceeds in the Transaction Account (including, without limitation, to fund the Reserve Fund and/or the Pre-Maturity Liquidity Ledger, in each case in accordance with the Establishment Deed).

For a description of "**CPF Loans**" and "**Non-CPF Loans**" please see the section "*The Loans and the Portfolio – CPF Loans and Non-CPF Loans*".

- (e) *Subordinated Loan Agreement:* Under the terms of the Subordinated Loan Agreement, the Issuer in its capacity as lender under the Subordinated Loan Agreement (being defined as the "**Subordinated Loan Provider**" for the purposes of this Offering Memorandum) may make Subordinated Advances available to the Covered Bond Guarantor.

Except for Deemed Subordinated Advances, the Subordinated Loan Facility is uncommitted and the Subordinated Loan Provider is not obliged to make Subordinated Advances to the Covered Bond Guarantor or the CBG Beneficiary. The Subordinated Loan Provider will be obliged to make a Deemed Subordinated Advance where the conditions required to be met in order for the Intercompany Loan Provider to make a Deemed Advance under the Intercompany Loan Agreement are not met. See "Summary of the Principal Documents – Intercompany Loan Agreement" for these conditions.

The Subordinated Loan is subordinated to, *inter alia*, payments of principal and interest on the Intercompany Loan and the Covered Bond Guarantee, and all other payments or provisions ranking in priority to payments to be made to the Subordinated Loan Provider, in each case in accordance with the applicable Priority of Payments. See "Summary of the Principal Documents – Subordinated Loan Agreement".

- (f) *Mortgage Sale Agreement*: Under the terms of the Mortgage Sale Agreement, among the Seller, the Assets Trustee, the Covered Bond Guarantor, the All Monies Trustee, the CBG Beneficiary, and the Security Trustee, the Seller has agreed to sell certain Non-CPF Loans and their Related Security to the Covered Bond Guarantor from time to time. Non-CPF Loans and their Related Security shall be transferred to the Covered Bond Guarantor by way of equitable assignment under the Mortgage Sale Agreement with legal title perfected only upon the occurrence of certain events. The Covered Bond Guarantor will fund the purchase of Non-CPF Loans and their Related Security using Advances made to it from time to time under the Intercompany Loan.
- (g) *Declaration of Assets Trust*: Under the terms of the Declaration of Assets Trust among the Seller, the Assets Trustee, the Covered Bond Guarantor, the CBG Beneficiary, the All Monies Trustee and the Security Trustee, the Assets Trustee established the Assets Trust. The Assets Trust is a trust declared under Singapore law by the Seller in favour of the Covered Bond Guarantor with the Assets Trustee as trustee holding all of the Trust Assets as to both capital and income on trust absolutely for the benefit of the Covered Bond Guarantor as beneficiary (the "**CBG Beneficiary**"). The trust assets shall consist of the CPF Loans and their Related Security (and any related Top-up Loans) declared by the Seller to form part of the Assets Trust from time to time, as identified in the Declaration of Assets Trust and the relevant Notice of Inclusion of Trust Assets, and all such rights, estate, title, interests, benefits and remedies in and to any monies currently owed or to be owed in the future by a Borrower and/or Mortgagor, all monies paid by any Borrower and/or Mortgagor from time to time for the purposes of discharging amounts owed, any receipts from the enforcement of any Related Security (and any related Top-up Loans) received from time to time (including but not limited to the Seller's benefit in and to any rights to receive payments under any Insurance Policy) and the Seller's benefit in and to all Related Security and any rights relating to such CPF Loans (and any related Top-up Loans) (including any right to terminate or withdraw any interest offset feature contained in such CPF Loans and Top-up Loans or terminate any "Mortgage One" account (or an account opened in connection with such interest offset feature)) (the "**Trust Assets**"). The beneficial interest of the CBG Beneficiary is an absolute interest in the Trust Assets and it will be the sole beneficiary of the Assets Trust. The Covered Bond Guarantor will use part of the initial Advance to pay to the Seller, who will apply such amounts as consideration for acquiring an interest in the CPF Loans and their Related Security contributed by the Seller to the Assets Trust in accordance with the terms of the Declaration of Assets Trust.

The Covered Bond Guarantor will use additional Advances to make Additional Contributions to the Assets Trustee to acquire New Loans which are CPF Loans and their Related Security (and any related Top-up Loans) from the Seller.

- (h) *Ancillary Intercompany Loan Agreement*: Under the terms of the Ancillary Intercompany Loan Agreement, the Issuer in its capacity as lender under the Ancillary Intercompany Loan Agreement (being defined as the Ancillary Intercompany Loan Provider for the purposes of this Offering Memorandum) may make Deemed Ancillary Intercompany Loan Advances available to the Covered Bond Guarantor and the CBG Beneficiary.

An advance under the Ancillary Intercompany Loan Agreement will be deemed to arise under the Ancillary Intercompany Loan Agreement (a "**Deemed Ancillary Intercompany Loan Advance**") if the Covered Bond Guarantor acquires an interest in a Top-up Loan and/or as at any Calculation Date, there is an increase in the outstanding balance of a Top-up Loan.

Deemed Ancillary Intercompany Loan Advances will be repayable outside the Priorities of Payments in priority to amounts owed by the Covered Bond Guarantor to the other Secured Creditors (including the Covered Bondholders). See "*Summary of the Principal Documents – Ancillary Intercompany Loan Agreement*".

- (i) *Consideration:* Under the terms of the Mortgage Sale Agreement and the Declaration of Assets Trust, the consideration payable to the Seller for the sale of Non-CPF Loans and their Related Security to the Covered Bond Guarantor or the sale and declaration of trust (or extension of the Asset Trust) over CPF Loans and their Related Security (and any related Top-up Loans) on any Closing Date will be a combination of (i) a cash payment paid by the Covered Bond Guarantor to the Seller from the proceeds of the relevant Advance and/or Subordinated Advance or set-off against such Advance and/or Subordinated Advance and (ii) the Early Repayment Charge Receipts in respect of the Loans in the Initial Portfolio or, as the case may be, New Portfolios. The Covered Bond Guarantor shall also pay to the Seller as part of the purchase consideration for the Initial Portfolio or, as the case may be, New Portfolios, an amount equivalent to the Deferred Consideration and/or Deferred Contribution Consideration.
- (j) *Security:* To secure its obligations under the Covered Bond Guarantee and the Transaction Documents to which it is a party, the Covered Bond Guarantor has granted security over the Charged Property (which consists principally of the Covered Bond Guarantor's interest in the portfolio of Loans and their Related Security (and any related Top-up Loans), the Trust Assets, the Substitution Assets, contractual rights under the Transaction Documents to which it is a party, the Covered Bond Guarantor Accounts, any Insurance Policy, any Excess Proceeds and any Authorised Investments it holds) in favour of the Security Trustee (for itself and on behalf of the other Secured Creditors) pursuant to the Deeds of Charge.
- (k) *Cashflows:* Prior to service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice (which has not been revoked), a Notice to Pay or a Covered Bond Guarantor Acceleration Notice and/or the realisation of the Security, the Cash Manager on behalf of the Covered Bond Guarantor will:
 - (i) apply Available Revenue Receipts to paying, among other things, fees and expenses payable or to become payable by the Covered Bond Guarantor (including fees payable to the Bond Trustee and other third party service providers to the Covered Bond Guarantor), interest due to the Intercompany Loan Provider under the Intercompany Loan, certain expenses and amounts due to any Interest Rate Swap Provider (if any), the Pre-Maturity Liquidity Ledger and the Reserve Ledger and interest and (if the Cash Manager or the Subordinated Loan Provider so elects) principal due to the Subordinated Loan Provider under the Subordinated Loan, in each case in accordance with the Pre-Acceleration Revenue Priority of Payments. For further details of the Pre-Acceleration Revenue Priority of Payments, see "*Cashflows and Priorities of Payments*"; and
 - (ii) apply Available Principal Receipts to acquiring New Loans and their Related Security offered by the Seller to the Covered Bond Guarantor, acquiring Substitution Assets or Authorised Investments, making deposits in the Principal Ledger, repaying principal due to the Intercompany Loan Provider and funding any liquidity that may be required in respect of any Hard Bullet Covered Bonds (as described below) following any breach of the Pre-Maturity Test and to paying principal due to the Subordinated Loan Provider under the Subordinated Loan, in each case in accordance with and subject to the Pre-Acceleration Principal Priority of Payments. For further details of the Pre-Acceleration Principal Priority of Payments, see "*Cashflows and Priorities of Payments*".

Following service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice (which has not been revoked) but prior to service of a Notice to Pay or a Covered Bond Guarantor Acceleration Notice, for so long as any Covered Bonds remain outstanding, the Cash Manager on behalf of the Covered Bond Guarantor will continue to apply Available Revenue Receipts and Available Principal Receipts as described above, except that, while any Covered Bonds remain outstanding:

- (i) in respect of Available Revenue Receipts, no further amounts will be paid to the Intercompany Loan Provider under the Intercompany Loan, to the Subordinated Loan

Provider under the Subordinated Loan Agreement or the Seller in respect of Deferred Consideration or Deferred Contribution Consideration (but payments will, for the avoidance of doubt, continue to be made under the Interest Rate Swap (if any)), see "*Cashflows and Priorities of Payments*"; and

- (ii) in respect of Available Principal Receipts, no payments will be made other than credited to the Pre-Maturity Liquidity Ledger or to acquire New Loans and their Related Security offered by the Seller to the Covered Bond Guarantor or Substitution Assets and/or Authorised Investments, and, while the Intercompany Loan Provider may demand the repayment of any Demand Loan, such Demand Loan will be ineligible for repayment for so long as the Asset Coverage Test is not able to be satisfied, see "*Cashflows and Priorities of Payments*".

Following service of a Notice to Pay on the Covered Bond Guarantor (but prior to service of a Covered Bond Guarantor Acceleration Notice), the Cash Manager on behalf of the Covered Bond Guarantor will apply Available Revenue Receipts and Available Principal Receipts to pay Guaranteed Amounts in respect of the Covered Bonds when the same shall become Due for Payment in accordance with the Guarantee Priority of Payments. In such circumstances, the Intercompany Loan Provider will only be entitled to receive payment of any amount owing in respect of the Guarantee Loan and the Subordinated Loan Provider will only be entitled to receive payment of any amounts owing in respect of the Subordinated Loan after all amounts due under the Covered Bond Guarantee in respect of the Covered Bonds have been paid in full or have otherwise been provided for, see "*Cashflows and Priorities of Payments*".

Following service of a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor, the Covered Bonds will become immediately due and repayable (if not already due and repayable following service of an Issuer Acceleration Notice) and the Bond Trustee will then have a claim against the Covered Bond Guarantor under the Covered Bond Guarantee for an amount equal to the Early Redemption Amount in respect of each Covered Bond together with accrued interest and any other amounts due under the Covered Bonds and the security created by the Covered Bond Guarantor over the Charged Property will become enforceable. Any monies received or recovered (other than any amounts standing to the credit of the CBG Retained Amount Ledger, any Tax Credits, Third Party Amounts, All Monies Trust Property which the Seller is entitled to, Swap Collateral Excluded Amounts, Demand Loan Repayment Assets (including certain principal amounts in respect of the Demand Loan Repayment Assets), Top-up Receipts, proceeds from the sale of an interest in Top-up Loans, certain other amounts received in respect of the Loans and payable to parties other than the Covered Bond Guarantor and certain other amounts payable to third parties, premium received by the Covered Bond Guarantor from a replacement Swap Provider to the extent it is used to make a termination payment due and payable by the Covered Bond Guarantor with respect to the Swap being replaced (including any Excluded Swap Termination Amount) and termination payment received from a Swap Provider which is applied to acquire a replacement for the relevant terminated Swap and certain other amounts received in respect of the loans and payable to parties other than the Covered Bond Guarantor and certain other amounts payable to third parties) by the Security Trustee from realisation of the Charged Property following enforcement of the Security created by the Covered Bond Guarantor in accordance with the Deeds of Charge will be distributed according to the Post-Enforcement Priority of Payments. See "*Cashflows and Priorities of Payments*".

- (l) *Stamp Duty Payable in Respect of the Transfer of Beneficial or Equitable Interest in Mortgages:* Stamp duty is payable on each instrument which transfers, assigns or disposes of interests in Mortgages, of up to a maximum of SGD500 per instrument. A Deed of Assignment and a Notice of Inclusion of Trust Assets executed in respect of a sale of the Loans and their Related Security from the Seller to the Covered Bond Guarantor and a Deed of Assignment and the relevant Loan Repurchase Notice executed in respect of a repurchase of the Loans and their Related Security by the Seller from the Covered Bond Guarantor, would in each case constitute such instruments and stamp duty would thus be payable by the transferee of such Loans and their Related Security, of up to a maximum of SGD500 per instrument.
- (m) *Asset Coverage Test:* The Programme provides that the assets of the Covered Bond Guarantor are subject to an Asset Coverage Test in respect of the Covered Bonds. Accordingly, prior to the service of a Notice to Pay, for so long as any Covered Bonds remain outstanding, as of each

Calculation Date, the Adjusted Aggregate Loan Amount must be in an amount equal to the SGD Equivalent of the aggregate outstanding nominal amount of the Covered Bonds as at such date. The Asset Coverage Test will be tested by the Cash Manager on each Test Date as of the immediately preceding Calculation Date. If the Asset Coverage Test is breached as of a Calculation Date and is not remedied as of the immediately succeeding Calculation Date, the Bond Trustee will be required to serve an Asset Coverage Test Breach Notice on the Covered Bond Guarantor (subject to the Bond Trustee having express notice of the same). The Asset Coverage Test Breach Notice will be revoked if, on or before the first Test Date immediately succeeding the date on which an Asset Coverage Test Breach Notice is served, the Asset Coverage Test (as calculated as of the immediately preceding Calculation Date) is satisfied and neither a Notice to Pay nor a Covered Bond Guarantor Acceleration Notice has been served. See "*Summary of the Principal Documents – Establishment Deed – Asset Coverage Test*".

If an Asset Coverage Test Breach Notice has been served and has not been revoked:

- (i) the application of Available Revenue Receipts and Available Principal Receipts will be restricted;
- (ii) the Covered Bond Guarantor may sell Selected Loans; and
- (iii) the Issuer will not be permitted to issue any further Series of Covered Bonds.

If an Asset Coverage Test Breach Notice has been served and is not revoked on or before the first Test Date immediately succeeding service of such Asset Coverage Test Breach Notice, then an Issuer Event of Default shall occur and the Bond Trustee shall be entitled to serve an Issuer Acceleration Notice on the Issuer. Following service of an Issuer Acceleration Notice, the Bond Trustee must serve a Notice to Pay on the Covered Bond Guarantor.

- (n) *Amortisation Test*: Following the service of a Notice to Pay on the Covered Bond Guarantor (but prior to service of a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor) and, for so long as the Covered Bonds remain outstanding, on each following Test Date, the Amortisation Test Aggregate Loan Amount must be at least equal to the SGD Equivalent of the aggregate outstanding nominal amount of the Covered Bonds as calculated on or before the relevant Test Date. The Amortisation Test will be carried out by the Cash Manager on or prior to each Test Date following service of a Notice to Pay but prior to service of a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor (calculated as of the relevant Calculation Date immediately preceding that Test Date). A breach of the Amortisation Test will constitute a Covered Bond Guarantor Event of Default. Following the occurrence of a Covered Bond Guarantor Event of Default, the Bond Trustee shall be entitled (and in certain circumstances may be required), in each case subject to being indemnified, pre-funded and/or secured to its satisfaction, by service of a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor, to accelerate the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee and require all amounts under the Covered Bond Guarantee to become immediately due and payable. Thereafter, the Security Trustee may enforce the Security over the Charged Property.
- (o) *Interest Rate Swap Agreement(s)*: To provide a hedge against possible variances between the interest revenues received by the Covered Bond Guarantor, being primarily linked to the rates of interest payable on the Loans in the Portfolio (which may, for instance, include fixed/floating and/or variable rates of interest), and the interest amounts payable on the Intercompany Loan and (following the service of a Notice to Pay on the Covered Bond Guarantor) the Covered Bond Swap Agreement or, if no Covered Bond Swap is in place, the Covered Bonds, the Covered Bond Guarantor may enter into an Interest Rate Swap Agreement with SCBSL (in its capacity as Interest Rate Swap Provider), and may from time to time enter into one or more Interest Rate Swap Agreements with any other party as an Interest Rate Swap Provider. The parties to an Interest Rate Swap Agreement may from time to time enter into an Interest Rate Swap under any such Interest Rate Swap Agreement. If an Interest Rate Swap is entered into under any Interest Rate Swap Agreement, the Covered Bond Guarantor shall pay to the Interest Rate Swap Provider an amount equal to the product of the notional amount of the Interest Rate Swap applicable to the relevant calculation period, the relevant fixed rate and the relevant day count fraction for such calculation period, and in exchange the Interest Rate Swap Provider shall pay to the Covered Bond Guarantor an amount equal to the product of the notional amount of the Interest Rate Swap applicable to the

relevant calculation period, the relevant floating rate and the relevant day count fraction for such calculation period, plus a margin (if applicable).

- (p) *Covered Bond Swap Agreement:* To provide a hedge against currency and/or interest rate risks in respect of amounts received by the Covered Bond Guarantor under the Loans and the Interest Rate Swap (if any) and amounts payable or that may become payable in respect of its obligations under the Covered Bond Guarantee, the Covered Bond Guarantor may enter into a Covered Bond Swap Agreement with SCBSL (in its capacity as Covered Bond Swap Provider), and may from time to time enter into one or more Covered Bond Swap Agreements with any other party as a Covered Bond Swap Provider. The parties to a Covered Bond Swap Agreement may from time to time enter into one or more Covered Bond Swaps under any such Covered Bond Swap Agreement for a Series and/or Tranche of Covered Bonds at the time such Covered Bonds are issued. To the extent required by the terms of the Covered Bond Swaps, the Covered Bond Swap Provider and the Covered Bond Guarantor will agree to swap SGD Equivalent amounts into foreign currency amounts reflecting the amounts payable under a relevant Series of Covered Bonds (the "**relevant Series of Covered Bonds**"). No cashflows will be exchanged under the relevant Covered Bond Swap Agreement (and the swaps thereunder will not become effective) unless and until the service of a Notice to Pay on the Covered Bond Guarantor.
- (q) *Hard Bullet Covered Bonds:* Any series of Covered Bonds which are scheduled to be redeemed in full on their relevant Maturity Date without any provision for scheduled redemption other than on the Maturity Date (the "**Hard Bullet Covered Bonds**").
- (r) *Extendable Obligations under the Covered Bond Guarantee:* An Extended Due for Payment Date may be specified as applying in relation to a Series of Covered Bonds in the applicable Pricing Supplement. This means that if the Issuer fails to pay the Final Redemption Amount of the relevant Series of Covered Bonds on the Maturity Date (subject to applicable grace periods) and if the Guaranteed Amounts equal to the Final Redemption Amount of the relevant Series of Covered Bonds are not paid in full by the date falling two Business Days after the expiry of 14 days starting on (and including) the Maturity Date (the "**Extension Determination Date**") (for example because, following the service of a Notice to Pay on the Covered Bond Guarantor, the Covered Bond Guarantor has insufficient monies available in accordance with the Guarantee Priority of Payments to pay in full the Guaranteed Amounts corresponding to the Final Redemption Amount of the relevant Series of Covered Bonds), then payment of the unpaid amount pursuant to the Covered Bond Guarantee shall be automatically deferred (without a Covered Bond Guarantor Event of Default occurring as a result of such non-payment) and shall be due and payable on the Extended Due for Payment Date (subject to any applicable grace periods). However, any amount representing the Final Redemption Amount due and remaining unpaid on the Extension Determination Date may be paid by the Covered Bond Guarantor on any Interest Payment Date thereafter, up to (and including) the relevant Extended Due for Payment Date. Interest will continue to accrue on any unpaid amount during such extended period and be payable on the Original Due for Payment Date and on the Extended Due for Payment Date in accordance with Condition 4 (*Interest and other Calculations*) and the Covered Bond Guarantor will pay Guaranteed Amounts constituting Scheduled Interest on each Original Due for Payment Date and each Interest Payment Date specified in the applicable Pricing Supplement. During the period from the Maturity Date to and including the Extended Due for Payment Date, the frequency of Interest Payment Dates and the basis on which interest is paid may change as set out in the applicable Pricing Supplement.
- (s) *Servicing:* In its capacity as Servicer, SCBSL has entered into the Servicing Agreement with the Covered Bond Guarantor, the CBG Beneficiary, the Seller, the Assets Trustee and the Security Trustee, pursuant to which the Servicer has agreed to provide administration and management services to the Covered Bond Guarantor (in respect of Non-CPF Loans and their Related Security (and any related Top-up Loans)) and the Assets Trustee and CBG Beneficiary (in respect of CPF Loans and their Related Security (and related Top-up Loans)).
- (t) *Regulated Covered Bonds:* The Issuer will issue Covered Bonds under the Programme in accordance with MAS Notice 648.
- (u) *Further Information:* For a more detailed description of the transactions summarised above relating to the Covered Bonds, see, amongst other relevant sections of this Offering Memorandum, "*Summary of the Programme*", "*Terms and Conditions of the Covered Bonds*", "*Summary of the*

Principal Documents", "Credit Structure including Asset Tests", "Cashflows and Priorities of Payments" and "The Loans and the Portfolio".

SUMMARY OF THE PROGRAMME

The following summary does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Offering Memorandum and, in relation to the terms and conditions of any particular Tranche or Series of Covered Bonds, the applicable Pricing Supplement. Words and expressions defined in "Terms and Conditions of the Covered Bonds" below or elsewhere in this Offering Memorandum have the same meanings in this summary. Other words and expressions used in this summary and not otherwise defined in this summary shall have the meanings ascribed to such words and expressions appearing elsewhere in this Offering Memorandum. A glossary of certain defined terms is contained at the end of this Offering Memorandum.

Issuer of Covered Bonds

Standard Chartered Bank (Singapore) Limited ("SCBSL" or the "**Issuer**"). In relation to each Tranche of Covered Bonds, references to the "**Issuer**" shall mean the Issuer which has concluded, or is negotiating, an agreement with the relevant Dealer(s) to issue or which has issued the Covered Bonds of that Tranche.

Covered Bond Guarantor

Banzu Covered Bonds Pte. Ltd., a limited liability company incorporated in Singapore (registration number 202342228G). The shares in the Covered Bond Guarantor are held by CSCGlobal Trust (Singapore) Ltd. (formerly known as Intertrust (Singapore) Ltd.) in its capacity as Share Trustee of Banzu Covered Bonds Trust for charitable, benevolent or philanthropic purposes. The Covered Bond Guarantor is a special purpose vehicle whose business is to acquire, *inter alia*, Loans and their Related Security from the Seller pursuant to the terms of the Mortgage Sale Agreement and the Declaration of Assets Trust and to guarantee certain payments in respect of the Covered Bonds. The Covered Bond Guarantor will hold the Portfolio and the other Charged Property in accordance with the terms of the Transaction Documents.

The Covered Bond Guarantor has provided a guarantee covering all Guaranteed Amounts when the same shall become Due for Payment, but only following:

- (i) an Issuer Event of Default and the service by the Bond Trustee of an Issuer Acceleration Notice on the Issuer and a Notice to Pay on the Covered Bond Guarantor; or
- (ii) a Covered Bond Guarantor Event of Default and the service by the Bond Trustee of a Covered Bond Guarantor Acceleration Notice on the Issuer and the Covered Bond Guarantor.

The obligations of the Covered Bond Guarantor under such guarantee and the other Transaction Documents to which it is a party are secured by the assets from time to time of the Covered Bond Guarantor and recourse against the Covered Bond Guarantor is limited to such assets.

CBG Beneficiary

The Covered Bond Guarantor as beneficiary of the Assets Trust.

Assets Trustee

SCBSL, as trustee of the Assets Trust.

Seller

SCBSL.

Servicer

Pursuant to the terms of the Servicing Agreement, SCBSL has been appointed to service, on behalf of the Covered Bond

	Guarantor, the CBG Beneficiary and the Assets Trustee, the Loans and their Related Security sold by the Seller.
Cash Manager	SCBSL has been appointed, <i>inter alia</i> , to provide cash management services to the Covered Bond Guarantor, the CBG Beneficiary and the Assets Trustee and to monitor compliance by the Covered Bond Guarantor with the Asset Coverage Test and the Amortisation Test pursuant to the terms of the Cash Management Agreement.
Intercompany Loan Provider	SCBSL.
Ancillary Intercompany Loan Provider	SCBSL.
Subordinated Loan Provider	SCBSL.
Paying Agent	The Bank of New York Mellon, London Branch in respect of each Series of Covered Bonds (other than Covered Bonds cleared through the CMU (" CMU Covered Bonds "), Covered Bonds cleared through the CDP (" CDP Covered Bonds ") and Covered Bonds cleared through the DTC (" DTC Covered Bonds ")).
CDP Paying Agent	The Bank of New York Mellon, Singapore Branch in respect of each Series of CDP Covered Bonds.
CMU Lodging and Paying Agent	The Bank of New York Mellon, Hong Kong Branch in respect of each Series of CMU Covered Bonds.
DTC Paying Agent	The Bank of New York Mellon in respect of each Series of DTC Covered Bonds.
Calculation Agent	The Bank of New York Mellon, London Branch, The Bank of New York Mellon, The Bank of New York Mellon, Singapore Branch or The Bank of New York Mellon, Hong Kong Branch, as applicable or any other entity appointed by the Issuer as indicated in the applicable Pricing Supplement.
Issuing and Paying Agent	The Bank of New York Mellon, London Branch in respect of each Series of Covered Bonds (other than CMU Covered Bonds, CDP Covered Bonds and DTC Covered Bonds), The Bank of New York Mellon, Singapore Branch in respect of each Series of CDP Covered Bonds, The Bank of New York Mellon, Hong Kong Branch in respect of each Series of CMU Covered Bonds and The Bank of New York Mellon in respect of each Series of DTC Covered Bonds as Issuing and Paying Agent under the Agency Agreement (or such other Issuing and Paying Agent as may be appointed from time to time under the Agency Agreement).
Transfer Agent	The Bank of New York Mellon, SA/NV, Dublin Branch in respect of each Series of Covered Bonds (other than CMU Covered Bonds, CDP Covered Bonds and DTC Covered Bonds), The Bank of New York Mellon, Singapore Branch in respect of each Series of CDP Covered Bonds, The Bank of New York Mellon, Hong Kong Branch in respect of each Series of CMU Covered Bonds and The Bank of New York Mellon in respect of each Series of DTC Covered Bonds.
Registrar	The Bank of New York Mellon, SA/NV, Dublin Branch in respect of each Series of Covered Bonds (other than CMU

	Covered Bonds, CDP Covered Bonds and DTC Covered Bonds), The Bank of New York Mellon, Singapore Branch in respect of each Series of CDP Covered Bonds, The Bank of New York Mellon, Hong Kong Branch in respect of each Series of CMU Covered Bonds and The Bank of New York Mellon in respect of each Series of DTC Covered Bonds. The Issuing and Paying Agent, the Calculation Agent, the CDP Paying Agent, the CMU Lodging and Paying Agent, the DTC Paying Agent, the Transfer Agent, the Paying Agent, other Paying Agent or Agents and the Registrar as may be appointed from time to time are together referred to as the "Agents".
Bond Trustee	The Bank of New York Mellon, London Branch has been appointed to act as Bond Trustee on behalf of the Covered Bondholders in respect of the Covered Bonds and holds the benefit of, <i>inter alia</i>, the Covered Bond Guarantee on behalf of the Covered Bondholders pursuant to the terms of the Bond Trust Deed.
Security Trustee	The Bank of New York Mellon, Singapore Branch has been appointed to act as Security Trustee to hold the benefit of the security granted by the Covered Bond Guarantor to the Security Trustee (for itself, the Bond Trustee (for itself and on behalf of the Covered Bondholders) and other Secured Creditors) under the Deeds of Charge.
Asset Monitor	PricewaterhouseCoopers LLP (or such other replacement Asset Monitor appointed from time to time) appointed in accordance with the terms of the Asset Monitor Agreement as an independent monitor to perform tests in respect of the Asset Coverage Test and the Amortisation Test when required.
Covered Bond Swap Provider	Each swap provider which agrees to act as Covered Bond Swap Provider to the Covered Bond Guarantor to hedge certain currency and/or interest rate risks in respect of amounts received by the Covered Bond Guarantor under the Loans and the Interest Rate Swap (if any) and amounts payable or that may become payable in respect of its obligations under the Covered Bond Guarantee. A Covered Bond Swap Provider will be required to obtain a guarantee of its obligations or put in place some other arrangement in the event that its ratings cease to meet certain specified levels. As of the date of this Offering Memorandum SCBSL has agreed that it will act as a Covered Bond Swap Provider to the Covered Bond Guarantor.
Interest Rate Swap Provider	Each swap provider which agrees to act as Interest Rate Swap Provider to the Covered Bond Guarantor to hedge possible variances between the interest revenues received by the Covered Bond Guarantor, the interest amounts payable on the Intercompany Loan and (if applicable) the Covered Bond Swap Agreement or the Covered Bonds. Each Interest Rate Swap Provider (if any) will be required to obtain a guarantee of its obligations or put in place some other arrangement in the event that its ratings cease to meet certain specified levels. As at the date of this Offering Memorandum SCBSL has agreed that it may at its discretion act as an Interest Rate Swap Provider to the Covered Bond Guarantor.

Account Bank	SCBSL has agreed to act as Account Bank to the Covered Bond Guarantor pursuant to the terms of the Bank Account Agreement.
Corporate Services Provider	CSCGlobal Corporate Services (Singapore) Pte. Ltd. (formerly known as Intertrust Singapore Corporate Services Pte. Ltd.) (UEN/Company Registration No. 198702411W) has been appointed to provide certain corporate services to the Covered Bond Guarantor, pursuant to the Corporate Services Agreement.
Description	Global Covered Bond Programme.
Programme Limit	Up to US\$5,000,000,000 (or its equivalent in other currencies at the date of issue) aggregate nominal amount of Covered Bonds outstanding at any one time. The Issuer may increase this amount in accordance with the terms of the Programme Agreement.
Sole Arranger	SCBSL.
Programme Dealers	SCB and SCBSL. The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Offering Memorandum to " Programme Dealers " are to the persons listed above as Programme Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to " Dealers " are to all Programme Dealers and all persons appointed as a dealer in respect of one or more Tranches. The Covered Bonds may be offered from time to time by the Issuer through the Dealers. The Issuer may sell Covered Bonds to the Dealers acting as principals for resale to investors or other purchasers and the Issuer may also sell Covered Bonds directly to investors. Covered Bonds may be distributed on a syndicated or non-syndicated basis. See " <i>Subscription and Sale</i> ".
Currencies	Subject to compliance with all relevant laws, regulations and directives, Covered Bonds may be issued in U.S. dollars, EUR, Sterling, Swiss francs, Hong Kong dollars, Singapore dollars, Japanese yen, Renminbi or in such other currencies as may be agreed.
Renminbi Fallback	If by reason of inconvertibility, non-transferability or illiquidity, the Issuer is not, in its sole and absolute discretion, able to satisfy payments of principal or interest in respect of the Covered Bonds when due in Renminbi, the Issuer may settle such payment in U.S. dollars (other than in the case of CDP Covered Bonds and DTC Covered Bonds) or in Singapore dollars (in the case of CDP Covered Bonds).
Denomination	Definitive Covered Bonds will be in denominations as may be specified in the applicable Pricing Supplement (the " Specified Denomination "), save that unless otherwise permitted by then current laws and regulations, Covered Bonds (including Covered Bonds denominated in Sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the UK or whose issue

otherwise constitutes a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "FSMA") will have a minimum Specified Denomination of GBP100,000 (or its equivalent in other currencies) and the minimum denomination of each Covered Bond to be sold in the United States in reliance on Rule 144A shall be USD200,000 (or its equivalent in other currencies) and integral multiples of USD1,000 (or its equivalent in other currencies) in excess thereof, subject to compliance with all legal and/or regulatory requirements applicable to the relevant currency.

The minimum Specified Denomination of each Covered Bond admitted to trading on a regulated market within the EEA or offered to the public in an EEA State in circumstances which require the publication of a prospectus under the Prospectus Regulation will be EUR100,000 (or, if the Covered Bonds are denominated in a currency other than Euro, the equivalent amount in such currency at the date of issue of the Covered Bonds).

The minimum Specified Denomination of each Covered Bond admitted to trading on a regulated market in the UK in circumstances which require the publication of a prospectus under the rules in PRM will be GBP50,000 (or, if the Covered Bonds are denominated in a currency other than GBP, the equivalent amount in such currency at the date of issue of the Covered Bonds) unless the Covered Bonds otherwise fall within an exception from the prohibition on offers to the public (as set out in Schedule 1 of the POATRs).

Form of Covered Bonds

The Covered Bonds may be issued in bearer form or in registered form only. Registered Covered Bonds will not be exchangeable for Bearer Covered Bonds and *vice versa*.

Each Tranche of Covered Bonds in bearer form will be represented on issue by a Temporary Global Covered Bond or a Permanent Global Covered Bond, as specified in the applicable Pricing Supplement. Each Global Covered Bond will be deposited on or around the relevant issue date with a common depository or sub-custodian for Euroclear, Clearstream and/or as the case may be, the CMU, the CDP, the DTC and/or any other relevant clearing system. Interests in Temporary Global Covered Bonds generally will be exchangeable for interests in Permanent Global Covered Bonds, or, if so stated in the applicable Pricing Supplement, Definitive Covered Bonds, after the date falling 40 days after the later of the commencement of the offering and the relevant issue date of such Tranche, upon certification as to non-U.S. beneficial ownership. Interests in Permanent Global Covered Bonds will be exchangeable for Definitive Covered Bonds in whole but not in part (see "*Summary of Provisions Relating to the Covered Bonds while in Global Form*").

Registered Covered Bonds will be represented by Certificates, one Certificate being issued in respect of each Covered Bondholder's entire holding of Registered Covered Bonds of one Series. Certificates representing Registered Covered Bonds that are registered in the name of a nominee or a nominee of the common depository (as applicable) for one or more clearing systems are referred to as "Global Certificates". Registered Covered Bonds sold in an "offshore transaction" within the

	meaning of Regulation S will initially be represented by an Unrestricted Global Certificate. Registered Covered Bonds sold to QIBs within the meaning of Rule 144A in the United States in reliance on Rule 144A will initially be represented by a Restricted Global Certificate.
Clearing Systems	Euroclear, Clearstream, the CMU and/or CDP for Bearer Covered Bonds and Euroclear, Clearstream, the CMU, CDP and/or DTC for Registered Covered Bonds and, in relation to any Tranche, such other clearing system as agreed.
Maturities	Subject to compliance with all relevant laws, regulations and directives, the Covered Bonds may have any maturity that is one month or greater.
Method of Issue	Covered Bonds may be distributed by way of private placement on a syndicated or non-syndicated basis. The Covered Bonds will be issued in series (each a "Series") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest and their issue price), the Covered Bonds of each Series being intended to be interchangeable with all other Covered Bonds of that Series. Each Series may be issued in tranches (each a "Tranche") on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in a pricing supplement to this Offering Memorandum (a "Pricing Supplement").
Issue Price	Covered Bonds may be issued on a fully-paid or a partly- paid basis and at an issue price which is at par or at a discount to, or premium over, par.
Fixed Rate Covered Bonds	Fixed Rate Covered Bonds will bear interest, payable in arrear on such day(s) as may be agreed (as specified in the applicable Pricing Supplement).
Floating Rate Covered Bonds	Floating Rate Covered Bonds will bear interest determined separately for each Series as follows: (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2021 ISDA Definitions published by the International Swaps and Derivatives Association, Inc.; or (ii) by reference to EURIBOR, HIBOR, SONIA Benchmark, SOFR Benchmark or SORA Benchmark (or such other benchmark as may be specified in the applicable Pricing Supplement) as adjusted for any applicable margin. Interest periods will be specified in the applicable Pricing Supplement.
Zero Coupon Covered Bonds	Zero Coupon Covered Bonds may be issued at their nominal amount or at a discount to it and will not bear interest.

Other Covered Bonds	Terms applicable to any other type of Covered Bonds which the Issuer may agree to issue under the Programme will be set out in the applicable Pricing Supplement.
Change of Interest Basis	Covered Bonds may be converted from one interest basis to another in the manner set out in the applicable Pricing Supplement.
Redemption	The applicable Pricing Supplement will indicate either that the Covered Bonds cannot be redeemed prior to their stated maturity (other than in specified instalments, if applicable, or for taxation reasons or if it becomes unlawful for any Advance to remain outstanding or following an Issuer Event of Default or a Covered Bond Guarantor Event of Default) or that such Covered Bonds will be redeemable at the option of the Issuer and/or the Covered Bondholders upon giving notice to the Covered Bondholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the applicable Pricing Supplement. The applicable Pricing Supplement may provide that Covered Bonds may be redeemable in two or more instalments in such amounts and on such dates as indicated therein. The applicable Pricing Supplement will specify the basis for calculating the redemption amounts payable.
Extendable Obligations under the Covered Bond Guarantee	The applicable Pricing Supplement may also provide that the Covered Bond Guarantor's obligations under the Covered Bond Guarantee to pay the Guaranteed Amounts corresponding to the Final Redemption Amount of the applicable Series of Covered Bonds on their Maturity Date (subject to applicable grace periods) may be deferred until the Extended Due for Payment Date. In such case, such deferral will occur automatically if the Issuer fails to pay the Final Redemption Amount of the relevant Series of Covered Bonds on their Maturity Date (subject to applicable grace periods) and if the Guaranteed Amounts equal to the Final Redemption Amount in respect of such Series of Covered Bonds are not paid in full by the Covered Bond Guarantor by the Extension Determination Date (for example, because the Covered Bond Guarantor has insufficient monies to pay in full the Guaranteed Amounts corresponding to the Final Redemption Amount in respect of the relevant Series of Covered Bonds after payment of higher ranking amounts and taking into account amounts ranking <i>pari passu</i> in the Guarantee Priority of Payments). To the extent that the Covered Bond Guarantor has received a Notice to Pay in sufficient time and has sufficient monies to pay in part the Final Redemption Amount, such partial payment shall be made by the Covered Bond Guarantor on any Interest Payment Date up to and including the relevant Extended Due for Payment Date as described in Condition 5(a) (<i>Redemption by Instalments and Final Redemption</i>). Interest will continue to accrue and be payable on the unpaid amount up to the Extended Due for Payment Date in accordance with Condition 4 (<i>Interest and other Calculations</i>) and the Covered Bond Guarantor will make payments of Guaranteed Amounts constituting Scheduled Interest on each relevant Due for Payment Date and Extended Due for Payment Date. The Extended Due for Payment Date if

	applicable in respect of a Series of Covered Bonds will be specified in the applicable Pricing Supplement.
Withholding Tax	All payments of principal and interest in respect of the Covered Bonds, the Receipts and the Coupons will be made free and clear of withholding taxes of Singapore unless required by law. In that event, the Issuer shall pay such additional amounts as shall result in receipt by the Covered Bondholders, the Receiptholders or the Couponholders (after the withholding or deduction) of such amount as would have been received by them in the absence of the withholding or deduction, subject to customary exceptions. Under the Covered Bond Guarantee, the Covered Bond Guarantor will not be obliged to pay any such additional amounts payable by the Issuer. The Issuer or the Covered Bond Guarantor will not be obliged to pay any additional amount in respect of deductions or withholdings arising under or in connection with FATCA.
Status of the Covered Bonds	The Covered Bonds will constitute direct, unsecured and unsubordinated obligations of the Issuer.
Covered Bond Guarantee	Payment of Guaranteed Amounts in respect of the Covered Bonds when Due for Payment will be irrevocably guaranteed by the Covered Bond Guarantor. The obligations of the Covered Bond Guarantor to make payment in respect of the Guaranteed Amounts when Due for Payment are subject to the condition that: (a) an Issuer Event of Default occurs, an Issuer Acceleration Notice is served by the Bond Trustee on the Issuer and a Notice to Pay is served by the Bond Trustee on the Covered Bond Guarantor; or (b) a Covered Bond Guarantor Event of Default occurs and a Covered Bond Guarantor Acceleration Notice is served by the Bond Trustee on the Issuer and the Covered Bond Guarantor. The obligations of the Covered Bond Guarantor under the Covered Bond Guarantee will accelerate against the Covered Bond Guarantor upon the service of a Covered Bond Guarantor Acceleration Notice. The obligations of the Covered Bond Guarantor under the Covered Bond Guarantee constitute direct obligations of the Covered Bond Guarantor secured against the assets from time to time of the Covered Bond Guarantor and recourse against the Covered Bond Guarantor is limited to such assets.
Negative Pledge	None.
Cross Default	If a Covered Bond Guarantor Acceleration Notice is served in respect of any Series of Covered Bonds, then the obligation of the Covered Bond Guarantor to pay Guaranteed Amounts in respect of all Series of Covered Bonds outstanding will be accelerated.
Issuer Events of Default	As set out in Condition 9(a) (<i>Issuer Events of Default</i>).

Covered Bond Guarantor Events of Default	As set out in Condition 9(b) (<i>Covered Bond Guarantor Events of Default</i>).
Rating	Each Tranche of Covered Bonds issued under the Programme may be rated or unrated. When a Tranche of Covered Bonds is rated, its rating will not necessarily be the same as the rating applicable to the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision, downgrade or withdrawal at any time by the assigning rating agency.
Listing	Application will be made for Covered Bonds to be issued under the Programme which are agreed at the time of issue to be so listed, to be listed on the SGX-ST. For so long as any Covered Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, such Covered Bonds will be traded on the SGX-ST in a minimum board lot size of SGD200,000 (or its equivalent in other currencies) or such other amount as may be allowed or required from time to time. The Covered Bonds may also be listed on such other or further stock exchange(s) as may be agreed in relation to each Series. Unlisted Covered Bonds may also be issued.
Covered Bonds Regulation	The Issuer will issue Covered Bonds under the Programme in accordance with MAS Notice 648.
Governing Law	English law: Covered Bonds, Bond Trust Deed (including the Covered Bond Guarantee), Programme Agreement, Agency Agreement, Swap Agreements and English Security Trust Deed (save that defined terms incorporated by reference from the Master Definitions Agreement shall be governed by and construed in accordance with Singapore law). Singapore law: All Transaction Documents (not including limbs (r), (w), (x) and (y) of the definition of "Transaction Documents") other than those specified as being governed by English law above.
Selling Restrictions	United States, EEA, UK, Hong Kong, Japan, Singapore, Australia, Indonesia and other restrictions as may be required in connection with a particular issue of Covered Bonds. See "<i>Subscription and Sale</i>" and any additional selling and transfer restrictions set out in the applicable Pricing Supplement. Bearer Covered Bonds will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the "Code")) ("TEFRA D") unless: (i) the applicable Pricing Supplement states that Covered Bonds are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for the purposes of Section 4701 of the Code) ("TEFRA C"); or (ii) the Covered Bonds are issued other than in compliance with TEFRA D or TEFRA C but in circumstances in which the Covered Bonds will not constitute

"registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), which circumstances will be referred to in the applicable Pricing Supplement as a transaction to which TEFRA is not applicable.

Transfer Restrictions

There are restrictions on the transfer of Covered Bonds sold pursuant to Regulation S prior to the expiration of the relevant distribution compliance period and on the transfer of Registered Covered Bonds sold pursuant to Rule 144A. See "*Transfer Restrictions*".

ERISA Considerations

Unless the applicable Pricing Supplement specifies that the relevant Covered Bonds are not ERISA eligible, the Covered Bonds may be purchased and held by an "employee benefit plan" as defined in Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), that is subject to Part 4 of Subtitle B of Title I of ERISA, a "plan" as defined in Section 4975(e)(1) of the Code that is subject to Section 4975 of the Code or any entity whose underlying assets include "plan assets" by reason of such "employee benefit plan's" or "plan's" investment in the entity or otherwise for the purposes of Part 4 of Subtitle B of Title I of ERISA or Section 4975 of the Code (such plans and entities collectively referred to as "**Plans**"). Each purchaser and transferee of a Covered Bond (or any interest therein) will be deemed to have represented, warranted and agreed by its acquisition and holding of the Covered Bond (or any interest therein) either: (i) it is not, and is not acting on behalf of, a Plan or a governmental, church or non-U.S. plan that is subject to any U.S. federal, state, local or non-U.S. law or regulation that contains one or more provisions that are substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code ("**Similar Law**"); or (ii) its acquisition, holding and disposition of the Covered Bonds (or any interest therein) does not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or in the case of a governmental, church or non-U.S. plan, a violation of any applicable Similar Law). See "*ERISA and Certain Other Considerations*."

Risk Factors

There are certain risks related to any issue of Covered Bonds under the Programme, which investors should ensure they fully understand, a non-exhaustive summary of which is set out under "*Risk Factors*".

SUMMARY CONSOLIDATED FINANCIAL INFORMATION

The following table presents selected consolidated financial information for the SCBSL Group which has been extracted or derived from the audited consolidated financial statements of the SCBSL Group for the years ended 31 December 2023, 2024 and 2025. Such presentation differs in certain respects from the SCBSL Group's audited consolidated financial statements. The following information should be read in conjunction with the SCBSL Group's audited consolidated financial statements as at and for the years ended 31 December 2024 and 2025 and the related notes thereto, which are set forth beginning on pages F-192 and F-2 respectively of this Offering Memorandum, and the sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations of the SCBSL Group" and "Description of the Assets and Liabilities of the SCBSL Group" included herein. The audited consolidated financial statements of the SCBSL Group are prepared in accordance with the SFRS(I). These financial statements differ in certain material respects from U.S. GAAP. Investors should consult their own professional advisers for an understanding of the differences between SFRS(I) and U.S. GAAP and the generally accepted accounting principles of other jurisdictions and how those differences might affect the financial information contained in this Offering Memorandum.

	For the years ended 31 December		
	2023	2024	2025
	In SGD millions		
Selected income statement items			
Interest income.....	6,150	6,512	5,566
Interest expense.....	(3,847)	(4,792)	(4,290)
Net interest income.....	2,303	1,720	1,276
Fee and commission income.....	1,493	1,884	2,124
Fee and commission expense.....	(569)	(717)	(681)
Net fee and commission income.....	924	1,167	1,443
Dividend income.....	1	1	1
Dealing and foreign exchange income.....	1,593	2,074	2,505
Other income.....	(15)	(7)	6
Total non-interest income.....	2,503	3,235	3,955
Income before operating expenses	4,806	4,955	5,231
Staff costs.....	(1,462)	(1,611)	(1,664)
Other operating expenses.....	(1,336)	(1,501)	(1,557)
Total operating expenses	(2,798)	(3,112)	(3,221)
Operating profit before impairment loss	2,008	1,843	2,010
Impairment release/(losses).....	(89)	(216)	(209)
Operating profit after impairment loss	1,919	1,627	1,801
Profit/(loss) from an associate.....	5	5	3
Profit before income tax	1,924	1,632	1,804
Income tax (expense)/credit.....	(302)	(214)	(209)
Profit for the year	1,622	1,418	1,595
Profit attributable to:			
Non-controlling interests.....	(52)	(38)	(21)
Parent company shareholders.....	1,674	1,456	1,616
Profit for the year	1,622	1,418	1,595

	As at and for the years ended 31 December		
	2023	2024	2025
	In SGD millions, except percentages		
Selected balance sheet items			
Loans and advances to customers.....	68,243	74,418	83,846
Total assets	166,060	182,245	199,554
Deposits of non-bank customers.....	126,327	135,127	148,820
Total liabilities.....	154,872	170,047	186,621
Total parent company shareholders' equity.....	11,120	12,093	12,840
Key financial ratios (excluding one-time items)⁽¹⁾			
Return on assets ⁽²⁾	1.0%	0.8%	0.8%
ROTE ⁽³⁾	18.9%	14.2%	15.0%
Cost-to-income ratio ⁽⁴⁾	58.2%	62.8%	61.6%
Adjusted net interest margin ⁽⁵⁾	2.0%	1.8%	1.5%
As % of total income before operating expenses:			
Net interest income.....	47.9%	34.7%	24.4%
Non-interest income.....	52.1%	65.3%	75.6%
CAR			
CET1 ratio ⁽⁶⁾	14.3%	14.8%	14.3%
Tier 1 ratio.....	17.7%	17.9%	17.1%

	As at and for the years ended 31 December		
	2023	2024	2025
	<i>In SGD millions, except percentages</i>		
Total Capital Adequacy Ratio⁽⁷⁾	24.0%	24.3%	22.8%

Notes:

- (1) These key financial ratios are not standard measures under SFRS(I) or U.S. GAAP.
- (2) Calculated by dividing Distributable Profit by average total assets. Distributable profit is defined as profit attributable to parent company shareholder less dividend paid to preference shareholders. Average total assets is taken as the simple average between opening and closing balance for the year.
- (3) Calculated by dividing Distributable Profit by Tangible Equity. Tangible Equity is calculated by deducting Additional Tier 1 Capital and Intangible Assets from Equity.
- (4) Total operating expenses expressed as a percentage of total income before operating expenses.
- (5) Adjusted net interest margin adjusted for financial markets funding costs and financial guarantee fees on interest earning assets.
- (6) Calculated by dividing CET 1 Capital by Total Risk Weighted Assets
- (7) Calculated by dividing Total Capital by Total Risk Weighted Assets.

RISK FACTORS

Each of the Issuer and the Covered Bond Guarantor believes that the following factors may affect its business (as applicable) and/or its ability to fulfil its obligations under the Covered Bonds issued under the Programme.

Prospective investors should carefully consider, among other things, the risks described below, as well as the other information contained in this Offering Memorandum and reach their own views prior to making an investment decision. Any of the following risks could materially and adversely affect the SCBSL Group's or the Covered Bond Guarantor's business, financial condition or results of operations and, as a result, investors could lose all or part of their investment. The risks below are not the only risks the SCBSL Group or the Covered Bond Guarantor face. Additional risks and uncertainties not currently known to the SCBSL Group or the Covered Bond Guarantor, or that they currently deem to be immaterial, may also materially and adversely affect the SCBSL Group's or the Covered Bond Guarantor's business, financial condition or results of operations.

Risks Relating to the Issuer

The Issuer is liable to make payments when due on the Covered Bonds.

The Issuer is liable to make payments when due on the Covered Bonds issued by it. The obligations of the Issuer under the Covered Bonds are direct, unsecured and unsubordinated obligations, ranking *pari passu* without any preference amongst themselves and (subject to applicable law) equally with its other direct, unsecured and unsubordinated obligations (save for any obligations to be preferred by law).

The obligations of the Covered Bond Guarantor under the Covered Bond Guarantee will be secured by the Security created under the Deeds of Charge. However, the Covered Bond Guarantor has no obligation to pay the Guaranteed Amounts payable under the Covered Bond Guarantee until the occurrence of an Issuer Event of Default, service by the Bond Trustee on the Issuer of an Issuer Acceleration Notice and on the Covered Bond Guarantor of a Notice to Pay or, following the occurrence of a Covered Bond Guarantor Event of Default and service by the Bond Trustee of a Covered Bond Guarantor Acceleration Notice on the Issuer and the Covered Bond Guarantor.

The occurrence of an Issuer Event of Default does not constitute a Covered Bond Guarantor Event of Default. However, failure by the Covered Bond Guarantor to pay amounts when Due for Payment under the Covered Bond Guarantee would constitute a Covered Bond Guarantor Event of Default, which would entitle the Bond Trustee to accelerate the obligations of the Issuer under the Covered Bonds (if they have not already become due and payable) and the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee and require the Security Trustee to enforce the Security.

Risks Relating to the SCBSL Group

A global or regional financial crisis or financial instability in the countries where the SCBSL Group does business could adversely affect its operations, asset quality and growth.

Several major events and developments in recent times have significant implications for the world and the SCBSL Group. Global tensions over trade, technology and ideology are manifesting themselves in divergent regulatory standards and compliance regimes, presenting long-term strategic challenges for multinational businesses.

In particular,

- The global geopolitical landscape has shifted from a rules-based international order to a system driven by relative power dynamics. Fluid political and economic alliances are evolving, with the landscape further complicated by ongoing conflicts and tensions in Ukraine and the Middle East. In the near term, geopolitical fragmentation is also hampering collaboration on key global challenges. The erosion of international rules and the organisations that underpin them could undermine coordination efforts on structural global issues, such as climate risk mitigation, or *ad hoc* emergencies. The dismantling of some international development organisations may also impact future cooperation efforts, including on combatting the potential spread of future pandemics. These trends are prompting reform at multinational institutions, albeit at a slow pace.

- National interests are returning more visibly, with national security or prosperity goals re-shaping engagement within and between countries. Domestic political volatility is increasing across numerous markets. Internationally, alliances are also reorganising. Importantly, the U.S.'s use of tariffs to achieve both economic and political goals, rollbacks of policy in areas such as Environmental, Social, and Governance ("**ESG**"), and direct interventions in global conflicts have all changed the macroeconomic and geopolitical landscape. Some of these actions have caused fractures between the U.S. and traditional allies, leaving many long-standing bilateral relationships in a state of flux. The positioning of "middle powers" is complex and evolving, with a rise in "mini-lateral" groups of countries that are ideologically or geographically aligned. The negotiating power of these alliances is strengthened where they are located in strategic areas or involve the control of key resources.
- The SCBSL Group may be impacted by direct exposure to countries engaged in conflicts, including hostilities between the U.S., Israel and Iran, which have the potential to escalate further and disrupt our operations in the region. The SCBSL Group may also be impacted by second-order effects from such conflicts on its clients and markets, such as supply disruption or price volatility of agricultural commodities, oil and gas. There are a wide range of possible outcomes, with uncertainty over the trajectory and duration of the conflict. The SCBSL Group is monitoring potential spillover effects to vulnerable markets including Bangladesh, Pakistan, Sri Lanka, Egypt and Türkiye. A protracted period of elevated energy prices is likely to stretch oil and gas reserves and the ability of governments to insulate consumers from price rises. This could lead to social unrest in countries reliant on Middle East energy, in addition to ongoing protests against the conflict itself.
- The sanctions landscape is also becoming increasingly complex, with potential divergence across regimes requiring heightened awareness in running a compliant, global operation. The malicious use of artificial intelligence ("**AI**") enabled disinformation could further undermine trust in the political process. Terrorism and cyber warfare are also ongoing threats, with unpredictability exacerbated by the wider range of ideologies at play and enhanced capabilities to disrupt infrastructure in rival countries.
- Relations between the People's Republic of China (the "**PRC**") and a number of Western countries (particularly the U.S.) remain fragile, with an increasing number of tariffs, sanctions, trade and investment restrictions being imposed by both sides. Although a truce is currently in place between the U.S. and the PRC in relation to tariffs, a technology war has continued in the midst of the in-force U.S. stringent licensing for export of advanced chips and technology/tools for use in the Chinese military. Friction has also been seen between the U.S. and the PRC around the export of rare earth metals. For example, on October 9, 2025, the PRC tightened its export rules on rare earth metals and related products.
- While many tariff deals have been struck between the U.S. and the rest of the world, the average global tariff level has increased significantly relative to a year ago. The potential for change remains, with the U.S. administration applying additional tariffs in response to non-economic issues or to achieve leverage in other areas. The relative alignment between the U.S. and the PRC continues to be a major factor and dislocation risks persist with potential adverse impact on export-reliant locations such as South-East Asia.
- Although the interest rate cut cycle has begun, the short-term trajectory remains uncertain. Tariffs, conflicts, supply chain disruption, strong labour markets and higher deficits could be inflationary, leading to higher rates. In contrast, aggressive cuts could further fuel inflation. Developed countries have diminished fiscal flexibility to react due to their high debt levels and social burdens. There are growing concerns in Europe, where fiscal weakness in France and government instability in Germany threaten to undermine the European Union's strongest members and the integrity of the bloc. Volatile interest rates could also impact the SCBSL Group's net interest income outlook. The global landscape remains challenging for businesses, with structural spending still a risk while volatility remains. As other cost pressures such as the ESG transition or keeping up with technological advances build, companies may start to feel a squeeze, especially if interest rates do not fall as rapidly as expected.
- Tariff volatility, policy unpredictability and uncertainty over the continued independence of the U.S. Federal Reserve could impact investor perceptions of risk-free assets across global markets

and encourage a gradual and steady diversification. In an extreme case, the rest of the world could reduce trade with the U.S., which could result in further weakening of the U.S. dollar, challenging its status as the global reserve currency, or risk premia on traditionally risk-free assets such as U.S. Treasuries. However, these are unlikely to materialise in the short term.

- Global markets could face a downturn caused by the bursting of the perceived AI bubble, with valuations of key players and significant investment from private credit players in the sector drawing some concern. A correction would have implications for the broader economy, with sectors such as energy, construction and commercial real estate all highly dependent on AI infrastructure growth, particularly data centres. Concentration risk in sectors with an AI nexus is also a source of concern. The private credit sector is also under greater scrutiny, with concerns over default rates and increasing connectedness with traditional banks and the insurance industry. Lack of regulation or transparency, and lower underwriting standards all heighten inherent risks and make the segment more susceptible to downturns and other threats such as fraud.
- While idiosyncratic risks remain, emerging markets are generally seeing improved sentiment as debt restructurings have progressed and acute sovereign default risks have receded in certain markets. Multilateral support mechanisms, alongside bilateral funding, have helped to shore up external positions in several emerging markets. However, trends such as de-dollarisation and disintermediation through alternative payment channels may have a larger impact in emerging markets, and how credit risk is managed in such centres.

Furthermore, deteriorating business, consumer or investor confidence and lower levels of investment and productivity growth, may lead to economic recession and lower customer and client activity. The demand for borrowing from creditworthy customers may diminish during periods of recession or where economic activity slows or remains subdued and likewise the SCBSL Group's ability to borrow from other financial institutions or to engage in funding transactions may be adversely affected by market disruption.

To the extent that uncertainty regarding the economic outlook is heightened and negatively impacts consumer confidence and consumer credit factors globally or regionally, the SCBSL Group's business, financial condition and results of operations could be significantly and adversely affected. The SCBSL Group remains subject to the indirect economic effect of any potential tightening in global credit conditions, some of which cannot be anticipated and the vast majority of which are not under its control. The SCBSL Group also remains subject to counterparty risk arising from financial institutions that can fail or are otherwise unable to meet their obligations under their contractual commitment to the SCBSL Group. In addition, any dislocation that occurs as a result of the prevailing economic conditions described above may result in certain historically correlated factors, which are inputs into the SCBSL Group's risk model, no longer being accurate. This could adversely impact the accuracy of the output from the SCBSL Group's risk models, and in turn, the accuracy of the SCBSL Group's risk management processes and related decision-making. See "*Risk Factors – Risks relating to the SCBSL Group – The SCBSL Group is exposed to model risk*" below.

On a geographical basis, the SCBSL Group's performance and the quality and growth of its assets are substantially dependent on the health of the economies of Singapore, Malaysia, Vietnam and Thailand. In particular, Singapore, the headquarters of the SCBSL Group, is highly dependent on external trade and investment, and is exposed to economic and market conditions in other countries in light of the interconnectivity between Singapore's economy and the rest of the world. If there is another global or regional financial crisis or a severe economic downturn in the markets where the SCBSL Group operates, this could result in lower demand for credit and other financial products and services, and higher defaults among corporate and retail customers, which could adversely affect the SCBSL Group's business, financial performance, shareholders' equity, ability to implement its strategy and the price of the Covered Bonds.

The SCBSL Group is exposed to system risk resulting from failures by banks, other financial institutions and corporates.

Within the financial services industry, the default of any institution or corporate could lead to significant liquidity problems, losses or defaults by other institutions as the commercial soundness of many financial institutions may be closely correlated because of their credit, trading, clearing or other relationships. This risk is sometimes referred to as "systemic risk", and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms, other financial institutions and exchanges with whom the SCBSL Group deals regularly. In turn, the actual or perceived soundness of these institutions

could have an adverse effect on the SCBSL Group's ability to raise new funding, including regulatory capital, and could have a material impact on the SCBSL Group's business, financial condition, results of operations and prospects.

The SCBSL Group is exposed to demographic challenges, including competition for talent and migration trends.

Evolving client expectations and rapid technological development are transforming the workplace, accelerating changes to how people work, connect and collaborate. The future workforce will continue to augment, with a focus on ensuring that human and technical skills intertwine effectively.

Workforce expectations also continue to evolve, with health, wellbeing and purpose becoming top focuses for talent attraction. Maintaining an employee value proposition that caters for multiple generations with differing priorities is a key challenge in building a high-performing, integrated employee base.

Flexible working is an increasingly important factor for colleagues and an overall positive factor in workforce experience. However, there are risks around potential lack of development opportunities from face-to-face interaction, especially for more junior employees. The role of people leaders will continue to evolve to enable the right balance for both individuals and teams.

Developed markets' budgets will be increasingly strained by ageing populations, and nationalistic policies on issues such as immigration could exacerbate the problem. Conversely, emerging markets are experiencing fast-growing, younger workforces. Population growth will put pressure on key resources to fully capitalise on the "demographic dividend". Existing fiscal and social vulnerabilities may also hinder emerging markets' ability to turbocharge their growth.

Population displacement is rising, which may increase the fragility of societal structures in vulnerable centres. Large scale movement could cause social unrest and accelerate the spread of future pandemics. The ability to react to such external scenarios may be diminished due to broader declines in international institutions and reduced global cooperation. Societal unrest continues to increase, and the threat of terrorist activity and political violence has also heightened over the past 12 months. Net population growth for the 21st century will be in less-developed countries. Proactively planning for these demographic shifts will be essential in maintaining an efficient global business model.

Any failure by the SCBSL Group to monitor and manage risks related to the foregoing demographic trends could have a material adverse effect on the SCBSL Group's financial condition, results of operations and prospects.

Any substantial increase in non-performing assets ("NPAs") and allowances may impair the SCBSL Group's financial condition and results of operations.

The SCBSL Group's total NPAs were S\$1 billion as at 31 December 2025. See "*Description of the Assets and Liabilities of the SCBSL Group – Credit Exposure*" for details on the SCBSL Group's NPAs and "*Description of the Assets and Liabilities of the SCBSL Group – Credit Quality Information*" for details on the SCBSL Group's credit monitoring. A worsening of the economic condition in Singapore or the region where the SCBSL Group operates, changes in the credit quality of the SCBSL Group's borrowers as well as various other factors such as a rise in unemployment, a sustained rise in interest rates, negative developments in the economies and/or the sectors in which the SCBSL Group lends money, movements in global commodities markets, volatility in exchange rates, global competition, as well as the political and economic developments in key economies, could have a material adverse effect on the quality of the SCBSL Group's loan portfolio. Some borrowers and counterparties may not be able to meet their financial obligations and this may result in loans being classified as NPAs.

Adverse changes in the credit quality of the SCBSL Group's borrowers and counterparties or adverse changes arising from a deterioration in global, regional and sectoral economic conditions or asset values may lead to an increase in NPAs in the future and require an increase in the SCBSL Group's level of allowances for credit and other losses or increase the level of asset write-downs or write-offs experienced by the SCBSL Group. For example, a sustained increase in interest rates or rise in unemployment could have an adverse impact on housing prices and values in Singapore.

A substantial increase in NPAs may have a material adverse effect on the SCBSL Group's business, financial condition, results of operations and capital adequacy ratios.

A decline in collateral values or inability to realise collateral value may increase the SCBSL Group's allowances for credit and other losses.

Adverse changes in the credit quality of the SCBSL Group's borrowers and counterparties or adverse changes arising from a deterioration in global, regional and sectoral economic conditions or asset values could reduce the recoverability and/or the value of the SCBSL Group's assets. In particular, a significant portion of the SCBSL Group's loan portfolio is secured by real estate. In the event of a decline in the real estate markets in Singapore or the other markets in which the SCBSL Group conducts business, a portion of the SCBSL Group's loans may exceed the value of the underlying collateral.

Any decline in the value of the collateral securing the SCBSL Group's loans, inability to obtain additional collateral or inability to realise the expected value of collateral may require the SCBSL Group to increase its allowances for credit and other losses, which may adversely affect the SCBSL Group's business, financial condition, results of operations and prospects.

Liquidity shortfalls may increase the SCBSL Group's cost of funds.

Most of the SCBSL Group's funding requirements are met through a combination of funding sources, primarily in the form of deposit-taking activities and inter-bank funding. As a portion of the SCBSL Group's assets have long-term maturities and may be in foreign currencies, funding mismatches may occur. A significant portion of the SCBSL Group's non-bank customer deposits has current maturities of one year or less or is payable on demand. See "*Description of the Assets and Liabilities of the SCBSL Group – Customer Loans and Advances Maturity Profile*" for details on an analysis of the SCBSL Group's gross loans and advances to customers by maturity. Such deposits are mainly from savings and current accounts, or fixed deposits. No assurance can be given that large-scale deposit withdrawals will not occur. In circumstances where a substantial number of depositors, within or outside Singapore, withdraw such funds from the SCBSL Group, the SCBSL Group's liquidity position could be materially and adversely affected. In such a situation, the SCBSL Group could be required to seek short-term and long-term funds to finance its operations. Any such funding may be only obtainable on terms that are more expensive than the SCBSL Group's current funding sources which may adversely affect the SCBSL Group's business, financial condition, results of operations and prospects.

The SCBSL Group is exposed to risks associated with a downgrade to the credit ratings of the SCBSL Group and SCB.

The SCBSL Group's ability to access the capital markets, and the cost of borrowing in these markets, is significantly influenced by the SCBSL Group's credit ratings. A reference to the SCBSL Group's credit ratings includes (i) all ratings provided by the agencies including but not limited to, long term and short term ratings, counterparty ratings and instrument ratings, and (ii) any outlooks assigned to those ratings from time to time.

There is no guarantee that the SCBSL Group will not be subject to downgrades to its credit ratings and/or negative changes in the outlook on such ratings. Factors leading to any such downgrade or change in outlook may not be within the control of the SCBSL Group (for example, the deterioration of macroeconomic factors assessments, the occurrence of risks referred to under "*Risk Factors – Risks Relating to the SCBSL Group*", the COVID-19 pandemic or other similar diseases or actual or perceived systemic risk in the financial services sector, the exercise of subjective judgment by the rating agencies, a change in the methodology or a change in approach used by the rating agencies to rate the SCBSL Group or its securities).

In addition, the SCBSL Group's ratings may be impacted by the ratings of its parent company, SCB, given SCB's importance to the SCPLC Group. SCB's ratings are themselves subject to the same factors mentioned herein and may be impacted by events unrelated to the credit ratings of SCBSL.

The SCBSL Group's ratings have been downgraded by Moody's in 2019 following the merger of the SCBSL Group's subsidiary and branch operations. The SCBSL Group has not considered the impact of these changes to the SCBSL Group's ratings as significant. However, the impact of any future changes to the SCBSL Group's ratings may be material. The ratings agencies each rely on their own methodologies to assess the SCBSL Group's ratings. Common drivers include operating environment, profitability, capital, liquidity, asset risk, government/affiliate support, debt buffers and ESG considerations. Changes in these methodologies or drivers and/or any changes in the rating agencies' subjective assessments of the SCBSL

Group could adversely impact the SCBSL Group's ratings. Notwithstanding the rating agency methodologies, rating agencies have also specifically identified a number of factors based on their most recent assessment of the SCBSL Group that could result in a negative change to the SCBSL Group's ratings in the near future, some of which may be referred to in the ratings agencies' public statements on the SCBSL Group's ratings from time to time.

Factors identified by credit ratings agencies in their reports include, but are not limited to, the SCBSL Group's financial performance or balance sheet metrics of the SCBSL Group on which elements of the ratings are based, reduction in the SCBSL Group's debt buffers, external events affecting the SCBSL Group or the broader banking sector, deterioration in the macro-economic assessments of the SCBSL Group's markets and/or the potential for deterioration in the SCBSL Group's operating environment. If any of these factors materialise or other events occur (for example, a change in the methodology or approach used by any applicable agency that rates the SCBSL Group or its securities) or any other factors not yet identified emerge, they could lead to negative change in the SCBSL Group's ratings.

Any negative change in the credit ratings of SCB or the SCBSL Group in the future could impact the volume, price and source of the SCBSL Group's funding, or adversely impact the SCBSL Group's competitive position, all of which could have a material adverse effect on the SCBSL Group's financial condition, results of its operations and prospects.

The value of certain financial instruments recorded at fair value may change over time.

The fair values of financial instruments traded in active markets are based on quoted market prices at the balance sheet date. If the market for a financial instrument is not active, the SCBSL Group establishes fair value by using valuation techniques. These may include the use of recent arm's length transactions, reference to other instruments that are substantially similar, discounted cash flow analysis and option pricing models. In inactive markets, fair values, or market parameters used with internally developed models to derive fair values, may also be kept unchanged. Valuation reserves may be applied to the valuation of the financial instruments, where appropriate.

The valuation of the majority of the SCBSL Group's financial instruments reported at fair value is based on quoted and observable market prices or on internally developed models that are based on independently sourced market parameters, including interest rates, option volatilities and currency rates. Other factors such as model assumptions, market disruptions/dislocations and unexpected correlation shifts can materially affect these estimates and the resulting fair value estimates.

The SCBSL Group's operations in, and further expansion into, diverse markets in and outside of Asia present different risks and challenges which may adversely affect the SCBSL Group's results of operations.

Outside of Singapore, the SCBSL Group has banking subsidiaries in various locations in Asia, namely Malaysia, Vietnam and Thailand. The SCBSL Group's operations in these jurisdictions could be adversely affected by changes in their respective legal, political, regulatory or economic environments.

Providing banking products and services in multiple jurisdictions exposes the SCBSL Group to a variety of regulatory and business challenges and risks and has increased the complexity of its risks in a number of areas, including price risks, currency risks, interest rate risks, compliance risk, regulatory and reputational risk and operational risk. The SCBSL Group also faces risks related to its ability to manage inconsistent legal and regulatory requirements in the multiple jurisdictions in which it operates and its ability to successfully establish and maintain an integrated system of internal controls for all of its international operations and businesses. There can be no assurance that the SCBSL Group will be able to execute its strategy and deliver returns on capital invested in its international subsidiaries or that its operations internationally will continue to be profitable.

In addition, over time, the SCBSL Group may expand into other countries in Asia. While this may be positive for the SCBSL Group's long-term position and may enhance revenue diversification, it also increases operational and asset quality risks. There can be no assurance that further regional expansion will not have a material adverse effect on the SCBSL Group's business, financial condition and results of operations.

In addition, in some of the markets in which the SCBSL Group operates or may expand into, judicial and dispute resolution systems are less developed than in North America and Western Europe. In case of a breach of contract, there may be difficulties in enforcing claims against contractual counterparties. Conversely, if claims are made against the SCBSL Group, there may be difficulties in defending such allegations. If the SCBSL Group becomes party to legal proceedings in a market with an insufficiently developed judicial and dispute resolution system, this exacerbates the risk of there being an outcome which is unexpected, and an adverse outcome to such proceedings could have a material adverse effect on the SCBSL Group's business, financial condition and results of operations.

The SCBSL Group is exposed to risks arising from new business structures, technology, channels and competition.

Sources of disruption and disintermediation to traditional finance are increasing, with the more established fintech and private credit sectors being joined by increasing use cases for digital assets. Stablecoins could provide alternative payment and deposit channels, with adoption expected to be most prevalent in emerging markets where local currencies are highly volatile. This could lead to deposit outflows from traditional banking products.

While there is increasing regulatory scrutiny on alternative financing providers, there is still a governance gap that could put banks at a competitive disadvantage. Financiers that can harness technology can rapidly improve their market share, as the concept of a hyper-personalised 'segment of one' is increasing in prominence, and may change marketing, client service and distribution channels. Moreover, the SCBSL Group relies on its dollar clearing operations to serve its clients and the suspension or loss of its licenses may significantly impact the SCBSL Group's ability to compete with other financial institutions.

The expansion of AI capabilities is increasingly pervasive and pivotal to business operations across industries. Traditional finance faces adoption challenges in complying with existing regulation and governance standards. Cost pressures and lack of key skills in the industry could hamper a swift transition. The proactive management of the impact of AI and more nascent technologies such as quantum computing may lead to sunk costs into projects that are ultimately not required or do not become part of daily operations.

The integration of more sophisticated insights utilising big data and AI could enhance the services offered to clients. However, if such capabilities are widely available, it may impact banks' ability to differentiate. AI also has implications on broader considerations such as the ethical use of data and protecting privacy and security, and the increase in "shadow AI" or the use of unauthorised AI channels or tools.

There has been a large increase in the use of AI in fraud, scams and spreading misinformation. Also, AI powered deepfakes and autonomously generated malware are changing the nature of cyber threats, in particular increasing the speed of attack. However, the availability and maturity of security and controls continues to lag development of the technology itself. There are also potential societal and economic impacts from replacement of jobs, which may be concentrated in some sub-sectors and disproportionately impact junior positions and youth entering the workforce.

An expanding digital footprint and integration of smarter AI systems increases inherent cyber and operational risk, with more opportunities for cybercriminals to gain entry or access to corporate assets, including infrastructure such as cloud and third-party enabled services. These threats extend to the SCBSL Group's clients, with the SCBSL Group at risk of financial loss if they are materially affected.

While the increased use of partnerships with specialist tech providers is operationally efficient, it increases third-party and model risks and requires enhanced due diligence to ensure secure adoption. Reliance on third parties for critical processes is an increasing regulatory focus and can introduce significant risks if these third parties fail to deliver or face operational issues. As supply chains become more complex and digital, security risks are shifting down to fourth and nth party. This increased interconnectedness is likely to further reduce the tolerance for errors and outages.

Ongoing geopolitical tensions increase the risk of conflict spilling into the cyber domain, including cyber risks from nation-state actors seeking to disrupt operations, access sensitive information or gain strategic advantage. The scale and sophistication of threats continue to increase, with ransomware a persistent concern. The barriers to entry for attacks is reducing, and malicious actors are embracing a new wave of technology with increased potency, such as AI. In the longer term, advances in quantum computing could

threaten encryption, one of the core aspects of security, which will necessitate a complex global transition to enhance data architecture. There are also growing data sovereignty requirements to localise data, systems and operations, with data increasingly recognised as being at the centre of global trade.

The adoption of new technologies, products or business models requires clear operating models and risk frameworks. It is essential to upskill the SCBSL Group's people to develop in-house capabilities to manage associated risks. People, process and technology agendas must be viewed holistically to effectively implement new infrastructure and reduce the risk of obsolescence.

The occurrence or continuance of any of the above risks could have a material adverse effect on the SCBSL Group's business, financial condition, results of operations and prospects.

The SCBSL Group's primary competitors consist of other Singapore banks and major international banks licensed in Singapore, major international banks licensed elsewhere and other financial institutions in other markets in which the SCBSL Group operates. See *"Description of the Business of the SCBSL Group – Competition"*.

The Singapore government has taken steps to liberalise the Singapore banking industry, which has resulted in increased competition among domestic and international banks operating in Singapore, leading to reduced margins for certain banking products. The MAS, which regulates banks in Singapore has issued qualifying full bank ("QFB") licences to international financial institutions since 1999. QFBs are currently permitted to establish operations in up to 25 locations. International banks granted such licences face fewer restrictions on their Singapore dollar deposit-taking and lending activities. The MAS has indicated that it will continue to allow greater foreign bank participation in the Singapore banking industry and refine the QFB system. In addition, the Singapore government has allowed more international banks to obtain "wholesale banking" licences to enable them to expand their Singapore dollars wholesale banking business in Singapore and to broaden the scope of Singapore dollars banking activities in which international banks may participate.

Since December 2020, the MAS has awarded digital full bank ("DFB") and digital wholesale bank ("DWB") licences. A DFB is allowed to take deposits from and provide banking services to retail and non-retail customer segments, while a DWB is allowed to take deposits from and provide banking services to SMEs and other non-retail customer segments. Some of these new digital banks commenced operations in 2022.

Similarly, in the SCBSL Group's other overseas markets, many of the international and local banks operate in the same segments as the SCBSL Group and compete for the same customers. Competition may increase in some or all of such markets. Such increased competition, individually or in combination, could have a material adverse effect on the SCBSL Group's business, financial condition, results of operations and prospects.

There can be no assurance that the SCBSL Group will be able to compete successfully with other financial institutions or that such increased competition will not have a material adverse effect on the SCBSL Group's business, financial condition, results of operations and prospects.

Significant security breaches, data theft, cyber-attacks, systems failure or calamities could adversely affect the SCBSL Group's business, financial condition and results of operations.

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

Cyber criminals, hacktivists, insiders and nation state sponsored adversaries are among those that may target financial computer systems. The SCBSL Group seeks to protect its information technology systems and network infrastructure from physical break-ins, cyber intrusion as well as fraud and systems failures.

The SCBSL Group employs round-the-clock external surveillance security systems, including logical access controls, intrusion prevention systems, multi-factor authentication and encryption technologies, designed to minimise the risk of security breaches. Although the SCBSL Group intends to continue to implement security technologies, conduct regular assessments and establish operational procedures to prevent break-ins, damages and failures, there is no guarantee that these security measures will be successful. The reputation of the SCBSL Group could be adversely affected by its perceived inability to properly manage fraud-related risks.

In addition, although the SCBSL Group's data centre and back-up systems are separately located in different places, there is no guarantee that both systems will not be simultaneously damaged or destroyed in the event of a major disruption or disaster. Such disruptions or disasters could arise from events that are wholly or partially beyond the control of the SCBSL Group. The SCBSL Group also seeks to maintain internal controls in line with international best practices. A significant breakdown in internal controls, major service disruptions or failure of security measures or back-up systems may significantly affect the SCBSL Group's operation, result in enhanced regulatory scrutiny and could result in regulatory or administrative sanctions and consequently have a material adverse effect on the SCBSL Group's business, financial condition and results of operations.

As digital technologies continue to grow in sophistication and become further embedded across the banking and financial services industry, the potential impact profile with regards to data risk is changing. Banks may become more susceptible to technology-related data security risks as well as customer privacy risks. The growing use and evolution of AI and cloud computing solutions are examples of this.

There is an increasing trend of highly organised threat actors, both state sponsored and through organised crime. Tactics are becoming more sophisticated and attacks more targeted over time. New techniques, and developments of weapons such as ransomware, are available as a service; reducing the cost of complex attack methods. Increasing connectivity is driving growth and new technologies, but also increasing the SCBSL Group's cyber-attack surface and possible entry points for cyber criminals.

The SCBSL Group, as well as the industry, continues to face challenges to keep pace with the volume of data related regulatory change, with regulatory requirements and client expectations increasing in areas such as data management, data protection, data sovereignty and privacy, including the responsible use of data and AI. The Personal Data Protection Act 2012 of Singapore ("PDPA") and amendments pursuant to the Personal Data Protection (Amendment) Act 2020 of Singapore raise the profile of data protection compliance. Notably, non-compliance with the PDPA may attract financial penalties. In the case of contravention of the data protection obligations under the PDPA, the maximum financial penalty that may be imposed is: (1) 10% of the organisation's annual turnover in Singapore if its annual turnover in Singapore exceeds S\$10 million and the contravention occurs on or after 1 October 2022; or (2) S\$1 million, in any other case. In addition, long-standing regulatory requirements such as the Basel Committee on Banking Supervision's ("BCBS") principles for effective risk data aggregation and risk reporting continue to require enhanced controls over data lineage and quality. The increasing use of AI and machine learning ("ML") technology within the SCBSL Group also requires additional data protection and data quality considerations, including in respect of the algorithms used in the underlying analysis as well focusing on the outcome of using AI.

The SCBSL Group handles personal information obtained from its individual and corporate customers in relation to its banking, securities, credit card, insurance and other businesses. The controls the SCBSL Group has implemented to protect the confidentiality of personal information, including those designed to meet the strict requirements of banking secrecy laws, may not be effective in preventing unauthorised disclosure of personal information. Leakage of personal information could expose the SCBSL Group to lawsuits, administrative or regulatory actions or sanctions and reputational harm, thereby materially and adversely affecting the SCBSL Group's business, financial condition, results of operations and prospects. The SCBSL Group's customers may be the victims of phishing scams, providing cyber criminals access to their accounts, or credit or debit card information. In these situations, the SCBSL Group may incur costs to replace compromised cards and address fraudulent transaction activity affecting its customers.

Fluid geopolitical disputes dynamics and the evolution of digital technologies have prompted some governments to issue data sovereignty restrictions, which may lead to data localisation or restrict cross-border data flows. Regulatory drivers and requirements vary by market, and the risk of fragmentation of requirements across the SCBSL Group's footprint is growing over time. Fragmentation has also been seen to occur intra-market where, in some instances, there is conflicting guidance from different regulatory

authorities within the same jurisdiction. Such a rapidly evolving regulatory environment requires the SCBSL Group to respond to restricted data flow only within specific country jurisdictions where applicable. The SCBSL Group accordingly, as part of regular review, keeps its data management policies, standards and controls updated.

The occurrence or continuance of any of the above risks could have a material adverse effect on the SCBSL Group's financial condition, results of operations and, if severe or prolonged, its prospects.

Changes in tax law and practice may result in adverse tax consequences for the SCBSL Group's business, financial condition, results of operations, prospects and capital position.

Changes in tax law and practice (including in the interpretation of existing tax laws and practice) or to tax rates in any of the countries and territories in which the SCBSL Group operates could increase the SCBSL Group's effective tax rate and have an adverse effect on the SCBSL Group's business, financial condition, results of operations, prospects and capital position.

In particular, the SCBSL Group's effective tax rate could increase as countries and territories implement tax related guidance, blueprints and proposals published by the Organisation for Economic Co-Operation and Development. The implementation of any such guidance, blueprints and proposals may also increase the SCBSL Group's compliance obligations.

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

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

The SCBSL Group is exposed to operational and technology risks.

Operational and technology risk is the potential for loss resulting from inadequate or failed internal processes, technology events, human error, or from the impact of external events (including legal risks). Operational and technology losses may result from, amongst others, deficient execution capability (the failure to execute client facing transactions appropriately, and failure to design and/or meet product management standards and product-related regulatory requirements). Included within operational and technology risks are risks that threaten the continuity of the services of the SCBSL Group which are being addressed by the development of the SCBSL Group's operational resilience capabilities. Included within operational and technology risks are risks that threaten the continuity of the services of the SCBSL Group which are being addressed by the development of the SCBSL Group's operational resilience capabilities. These capabilities address such risks as failure to design or maintain appropriate resilience measures for client services and underlying infrastructure and controls to withstand operational disruptions, technology (hardware, software and/or network) failure, failure to manage change projects, failure to meet standards

for people management including relevant regulations, and failure to create a safe, secure and healthy environment for staff and clients.

In the majority of cases, the SCBSL Group adopts straight through processing to deliver internal or external client requests. In certain situations, processes are dependent on manual interventions (for example, when a bespoke transaction is supported) which expose the SCBSL Group to execution related risks. The SCBSL Group continues to invest in and prioritise process and system enhancements to curtail and limit these risks.

Regulators are also increasingly emphasising the importance of resilient technology infrastructure in terms of mitigating cyber risk and improving reliability. The challenge is in both renewing, and increasing investment into, the SCBSL Group's technology estate to meet the demand for its required performance levels, and resilience capabilities. In addressing the challenge, a balance is required between resilience and agility as new technologies are onboarded while existing systems are maintained. There is no guarantee that the SCBSL Group will be successful in maintaining its technology infrastructure and monitoring the associated risks on an ongoing basis. The SCBSL Group is exposed to the risk of failures in its technology infrastructure which may impact the provision of services to the SCBSL Group's customers and stakeholders. The SCBSL Group is also exposed to the risk of regulatory actions in relation to the adequacy of its technology infrastructure and the costs associated with maintaining it.

Risks can also arise from engagement of third parties to provide products, services, and goods, which is essential for the SCBSL Group to meet strategic objectives and operate effectively and efficiently. These third parties may expose the SCBSL Group to a broad range of risks including service delivery failure, operational disruption and associated regulatory, financial and reputational impacts. The SCBSL Group manages third-party risks under its third-party risk management policy and standard and processes supported by risk and control self-assessment.

Notwithstanding that the SCBSL Group seeks to manage operational risks in a timely and effective manner through implementation of a framework of policies and standards, the occurrence or continuation of one or more of the foregoing risks which arise in banking activities, or any failure to manage such risks effectively, may have a material adverse effect on the SCBSL Group's business, financial position, results of operations and/or prospects.

SCBSL Group's risk management policies, procedures and framework may not adequately address unidentified or unanticipated risks.

The SCBSL Group is constantly exposed to significant credit, market and operational risks and it has in place risk management policies and procedures to mitigate and manage such risks. Nevertheless, in light of the continuing evolution of the SCBSL Group's operations and expansion into new areas, its policies and procedures designed to identify, monitor and manage risks may not be fully effective in time.

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

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

To the extent the SCBSL Group's assessments, assumptions or estimates prove inaccurate or not predictive of actual results, the SCBSL Group could suffer higher than anticipated losses, enhanced regulatory scrutiny and be subject to investigations, administrative actions or litigation. This may involve costs, including possible deterioration of the SCBSL Group's reputation, and affect the evaluation of the SCBSL Group's

credit ratings by rating agencies. This, in turn, could have a material adverse impact on the SCBSL Group's business, financial condition, results of operations and prospects.

The SCBSL Group is exposed to conduct risk.

"Conduct Risk" is defined as the "risk of detriment to the SCBSL Group's clients, investors, shareholders, counterparties, employees, market integrity and competition arising from: (i) business activities performed by the SCBSL Group; or (ii) individual behaviour and actions including instances of wilful or negligent misconduct".

Failure to manage Conduct Risk results in a potential failure to: (i) treat the SCBSL Group's clients fairly; (ii) deliver positive outcomes to the SCBSL Group's investors, shareholders, counterparties, employees, markets and competition; (iii) protect the integrity of the markets in which the SCBSL Group operates; and/or (iv) provide employees with a fair and safe working environment that is free from discrimination, exploitation, bullying, harassment and/or inappropriate language; which may lead to regulatory consequences, financial loss and reputational damage.

The effective management of Conduct Risk takes into consideration the SCBSL Group's culture, its strategy, business model, and the implementation of the three lines of defence model across the SCBSL Group. Effective from January 2021 onwards, the SCBSL Group incorporated Conduct Risk management into its Enterprise Risk Management Framework to reflect the transversal nature of Conduct Risk and ensure that it is always considered as part of the assessment of other principal risks to the SCBSL Group.

Although the SCBSL Group seeks to manage Conduct Risk in a timely and effective manner, the occurrence or continuation of one or more of the abovementioned risks, or any failure to manage one or more of such risks effectively, may have a material adverse effect on clients and the SCBSL Group's financial position and operations.

The SCBSL Group is exposed to model risk.

"Model risk" is defined as the potential loss that may occur as a consequence of decisions or the risk of mis-estimation that could be principally based on the output of models due to errors in the development, implementation or use of such models.

Regulatory focus continues to intensify with: (i) the growing importance of models for business decisions; and (ii) recognition of financial losses due to inadequate models or misuse. Additionally, areas such as Deterministic Quantitative Methods ("**DQM**"), are now in scope for model risk management in certain jurisdictions, including the UK and the United Arab Emirates.

The SCBSL Group's model risk results in part from both the number and complexity of the models used, and the extent of their use within the SCBSL Group. The SCBSL Group uses approximately 440 in-use models across multiple model families under the scope of the SCBSL Group Model Risk Policy. The multiple model families include: Credit Risk Internal Ratings Based, Market Risk Internal Model Approach and Counterparty Credit Risk Internal Model Method models which are used to calculate regulatory capital as well as SFRS(I) 9 models used for the calculation of expected credit loss to meet the SCBSL Group's financial reporting obligations under SFRS(I) 9. Other model families include, financial crime compliance, financial markets pricing, capital and liquidity, operational risk, pension risk, economic scenarios, financial projection, climate risk, recommendation systems, algorithmic trading, strategy and talent models.

Models are used across the SCBSL Group for various important processes (such as capital calculation, stress testing and business decisions). Examples of existing and emerging model uses include, but are not limited to:

- financial, public and regulatory reporting and disclosures;
- stress testing, financial and economic forecasting and internal capital adequacy assessments;
- product pricing, hedging, valuations, portfolio allocations, automated trading strategies and execution, economic and market research, and recommending products and services to customers;
- counterparty and credit risk management and client credit decisions; and

- fraud detection, trade and communication surveillance and anti-money laundering controls.

While the origination of Model Risk Management dates back to U.S. regulatory guidance SR 11-7/OCC-2011-12 (SR 11-7/OCC-2011-12 Supervisory Guidance on Model Risk Management, issued by the Federal Reserve Board and Office of the Comptroller of the Currency on 4 April 2011), the SCPLC Group has seen a number of other regulatory bodies follow suit, most recently with the UK PRA issuing a supervisory statement (SS 1/23) "Model Risk Management Principles for Banks", with similar themes to SR 11-7. SS 1/23 was issued on 17 May 2023, with an effective date of 17 May 2024, and the SCPLC Group's framework has been enhanced to align with its requirements.

DQMs are defined as tools which meet the model definition, with the exclusion of use of mathematical/financial/economic theories or techniques to perform the processing. DQMs are often referred to as Non-Models ("NM") and the terms are used interchangeably. NM generally fall into two types, (a) NM Estimations, where the processing component is purely qualitative in nature (purely based on expert judgment) rather than quantitative, and (b) NM Calculators where the processing component is purely deterministic, e.g., calculator arithmetic, logic trees, etc. While DQMs do not meet the formal definition of a model, they are still an integral part of a business decision process.

AI and ML techniques are increasingly adopted as a processing component of models in finance, such as financial crime compliance and credit scoring. The presence of AI processing within a model has the propensity to amplify existing risks, and the SCBSL Group model risk framework was updated in 2021 to ensure these risks are considered as part of model development and validation activities.

Separately, future changes to existing law and regulation (including in order to implement Basel 3.1 standards with forecast implementation date at the time of publication of 1 January 2027) may affect the SCBSL Group's use of models, which could in turn give rise to increased regulatory capital, leverage, loss-absorbing capacity and liquidity requirements for the SCBSL Group and could materially adversely affect the SCBSL Group's business, financial condition, results of operations and prospects.

The occurrence or continuation of model risk, or any failure to manage such risk effectively, may have a material adverse effect on the SCBSL Group's financial condition, results of operations and prospects.

The SCBSL Group may be subject to increased regulatory capital and liquidity requirements which could have a material adverse effect on its business, financial condition and results of operations.

The SCBSL Group is subject to capital adequacy and liquidity standards set by the MAS.

The MAS Notice 637 on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore ("MAS Notice 637") incorporates the Basel III capital standards published by the Basel Committee on Banking Supervision (the "Basel Committee") into Singapore regulations. Domestic systemically important banks ("D-SIBs") are required to comply with a minimum Common Equity Tier 1 ("CET1") capital adequacy ratio ("CAR") of 6.5%, Tier 1 CAR of 8% and Total CAR of 10%. These minimum ratios are two percentage points higher than those established by the Basel Committee, and are aimed to reduce the probability of failure of D-SIBs by increasing their going-concern loss absorbency. Standard Chartered Bank was designated as a D-SIB by the MAS on 30 April 2015. The designation of a D-SIB is on a country-level basis, such that in the case of foreign banks, it includes all related banking entities in Singapore that are within the scope of assessment. SCBSL is an indirect wholly owned subsidiary of SCB and is considered a D-SIB. In addition, Singapore-incorporated banks are required to maintain a capital conservation buffer of 2.5% and a countercyclical buffer of up to 2.5%, both to be met fully with CET1 capital.

The countercyclical buffer is not an ongoing requirement and is only applied as and when specified by the relevant banking supervisors. The applicable magnitude will be a weighted average of the jurisdiction-specific countercyclical buffer requirements that are required by authorities in jurisdictions to which a bank has private sector credit exposures. The Basel Committee expects jurisdictions to implement the countercyclical buffer during periods of excessive credit growth.

Including the capital conservation buffer and excluding the countercyclical buffer, a D-SIB is required to meet CET1 CAR of 9.0%, Tier 1 CAR of 10.5% and Total CAR of 12.5%.

MAS Notice 637 also imposes a minimum leverage ratio requirement of 3% for Singapore-incorporated banks at the solo and group levels.

In respect of liquidity standards, the SCBSL Group is subject to Basel III liquidity coverage ratio ("LCR") standards under MAS Notice 649 on Minimum Liquid Assets and Liquidity Coverage Ratio ("MAS Notice 649"). The SCBSL Group is required to maintain at all times a Singapore dollars LCR of at least 100% and an all-currency LCR of at least 100%.

The SCBSL Group is subject to the Basel Committee's standards on Basel III net stable funding ratio ("NSFR") requirements under MAS Notice 652 on Net Stable Funding Ratio ("MAS Notice 652"). SCBSL, as a D-SIB that is incorporated in Singapore and whose head office or parent bank is incorporated in Singapore must maintain a consolidated all-currency Group NSFR of at least 100% at all times. In addition, the MAS has stated that it will continue to monitor international developments on the Basel Committee's NSFR requirements and analyse relevant Singapore bank data to facilitate appropriate adjustments to the NSFR requirements should the need arise.

In addition, the SCBSL Group's overseas banking subsidiaries and branches are subject to capital adequacy and liquidity requirements imposed by their respective local regulators. As at 31 December 2025, the SCBSL Group was in compliance with the applicable capital adequacy and liquidity requirements of each of the jurisdictions in which it operates subsidiaries and branches.

If the regulatory capital or liquidity requirements applied to the SCBSL Group should increase in the future, the SCBSL Group's return on capital and profitability could be materially and adversely affected. In addition, any failure by the SCBSL Group to satisfy such increased regulatory capital or liquidity requirements within the applicable timeline could result in administrative actions or sanctions or significant reputational harm, which in turn may have a material adverse effect on the SCBSL Group's business, financial condition and results of operations.

With effect from 1 July 2024, MAS Notice 637 was revised to implement the final Basel III reforms in Singapore. The output floor transitional arrangement has commenced at 50% from 1 July 2024 and will reach full phase-in at 72.5% from 1 January 2029. With effect from 9 October 2025, MAS issued a revised version of MAS Notice 637 which (i) incorporates the Basel Committee's revised methodology used to calculate interest rates shocks in the interest rate risk in the banking book ("IRRBB") standard and updates the IRRBB standardised interest rate shock scenarios based on the revised methodology; (ii) revises the minimum requirements for Additional Tier 1 and Tier 2 capital instruments to disqualify those which are issued to retail investors in Singapore as regulatory capital; and (iii) enhances the clarity of the computation of the capital conservation buffer and countercyclical buffer, and recognition of credit risk mitigation under synthetic securitisations. These revisions can affect the way banks in Singapore calculate their exposures, which may in turn affect their capital requirements.

The SCBSL Group's business is subject to ESG which include climate related risks and reputational risks.

ESG and reputational risk is the potential or actual adverse impact on the environment and/or society, the SCBSL Group's financial performance, operations, or the SCBSL Group's name, brand or standing, arising from environmental, social or governance factors, or as a result of the SCBSL Group's actual or perceived actions or inactions.

ESG continues to be a core focus of regulatory policy making across all jurisdictions in which the SCBSL Group operates with regulators implementing standards, reporting requirements and timelines that can vary significantly, leading to further complexity in ensuring compliance across different jurisdictions. For example, environmental targets are being incorporated into many countries' domestic policies, with increased pressure to set ambitious sustainability goals. Additionally, ESG risk management disclosures, stress testing, transition planning, taxonomy and risk management requirements are also being incorporated into many countries' regulations further emphasising the need for transparency and accountability.

Climate and sustainability related regulatory developments and the possibility of regulatory fragmentation across regions in which the SCBSL Group operates, together with varying guidance and expectations, may have significant impacts, for example, by increasing potential 'transition' risks for the SCBSL Group's clients, and requiring investment in terms of resources to comply with regulations across the SCBSL Group's markets.

There has been a growing trend of civil claims in connection with adverse environmental and human rights impacts, as well as Non-Governmental Organisations' focus on ESG risk and the decisions taken around

thresholds for financing carbon-intensive sectors (for example, coal, oil and gas, metals and mining), especially with the SCPLC Group's external commitment to 'Net Zero' 2050 targets. Recently, the social impact of the businesses the SCPLC Group finances in alignment with responsible corporate lending, and other governance factors have also been an area of growing focus. Stakeholder scrutiny around greenwashing has accelerated in relation to disclosures and marketing campaigns, as well as in relation to the need for credible transition plans and actual positive impact in sustainable finance. The introduction of the FCA's policy statement PS23/16 on the SDR and investment labels which includes an 'Anti-Greenwashing' rule provides UK regulators with enhanced authority to scrutinise any allegations of greenwashing. In light of these trends, there are reputational risks if the SCBSL Group is unable to comply with the new regulations, meet expectations on responsible business practices, meet publicly stated sustainability goals, and assist in helping clients transition. ESG risk management disclosures and taxonomy requirements are also being incorporated into many countries' regulations. The ESG regulatory landscape also continues to evolve, with growing requirements on ESG risk management, stress testing, disclosures, transition planning, taxonomies, and sustainable finance frameworks across many of the SCPLC Group's footprint markets as well as changing attitudes towards ESG, particularly in the United States, which adds complexity in managing a global business.

In addition, many of the SCBSL Group's clients, markets and operations could be particularly susceptible to the physical risks of climate change such as droughts, floods, sea level change and average temperature change. For example, severe weather events have caused increased volatility in commodity prices, exacerbated disruptions in global supply chains, and impacted regions in which the SCBSL Group and its clients operate. Higher frequencies of extreme weather events are observed each year and the cost of managing the climate impacts is increasing, with the burden disproportionately borne by developing markets. Other environmental risks, such as loss of biodiversity, pose incremental challenges to food, health systems and energy security.

Climate Risk may impact the loss profile of the SCBSL Group's loan portfolio, as a result of potential disruption or productivity loss to clients' operations due to physical risks or transition risks impacting the profitability of the SCBSL Group's clients' existing business models. Additionally, properties securing loans may be subject to extreme physical risk, impacting the valuation of collateral held. The occurrence or continuance of any of the abovementioned risks could have a material adverse effect on the SCBSL Group's financial condition, results of operations and, if severe or prolonged, its prospects. There is also the possibility of increase in operational risk if extreme weather events impact critical operations of the SCBSL Group.

Beyond ESG, a potential failure in the SCBSL Group's other principal risks may also result in negative shifts in perceptions of the SCBSL Group held by shareholders, other stakeholders of the SCBSL Group or other third parties if not managed effectively. Social media and other modern communication channels that facilitate communication with large audiences in short time frames and with minimal costs, may significantly enhance and accelerate the distribution and effect of damaging information and allegations.

Material damage to the SCBSL Group's reputation could have an adverse impact on the future earning capacity of the SCBSL Group through the loss of current and prospective customers, or through damage to key governmental or regulatory relationships. As such, a failure to manage ESG and reputational risks effectively could materially affect the SCBSL Group's business, operations and prospects.

The SCBSL Group does not own the "Standard Chartered Bank" trademarks, which are licensed to the SCBSL Group by SCPLC and SCB.

The "Standard Chartered Bank" trademarks are owned by SCPLC and licensed to SCB on a non-exclusive basis under a licensing agreement (the "**Head License**") and in turn sub-licensed to the SCBSL Group under sub-license agreements with SCB for use in connection with activities and services relating to the management, enhancement and development of the trademarks for the benefit of the SCPLC Group. The term of the Head License will end on 31 December 2026, unless otherwise terminated in accordance with the agreement, after which the Head License may be renewed by mutual agreement of SCPLC and SCB. Under the terms of the Head License, if SCPLC and SCB do not agree to renew the Head License, SCPLC shall ensure that all sub-licensees and franchises will continue to be entitled to use the trademarks on the same or similar terms as those set out in a standard license agreement to be agreed between SCPLC and SCB. The Head License may be terminated in certain situations, including unilaterally by SCPLC with six month's written notice without cause. There can be no assurance that SCPLC would remain as the owner of the "Standard Chartered Bank" trademarks, or that the Head License or sub-licensing agreements would

not be terminated. In the event that the Head License or the sub-licensing agreements is terminated, or upon SCPLC ceasing to be the owner of the "Standard Chartered Bank" trademarks for any reason, the SCBSL Group would not be able to continue to use the "Standard Chartered Bank" trademark, and consequently, the SCBSL Group's financial condition, results of operations and prospects may be materially and adversely affected.

The SCBSL Group is subject to legal, regulatory and compliance risks.

The SCBSL Group is exposed to the risks of litigation, compliance and regulatory proceedings in the jurisdictions in which it operates. Management of these risks requires, among other things, policies and procedures to properly record and verify large numbers of transactions and events. Failure to address these risks appropriately may result in administrative sanctions in one or more jurisdictions in which the SCBSL Group conducts its business. In addition, in recent years, regulators globally have increased their scrutiny of internal controls and have correspondingly increased the penalties for any non-compliance particularly in the areas of sanctions, anti-bribery and anti-money laundering compliance. Investigations, administrative actions or litigation could commence in relation to violations, which may involve penalties, damages, costs, and possible deterioration of the reputation of the SCBSL Group.

The SCBSL Group is subject to a wide variety of banking and financial services laws and regulations and is supervised by a large number of regulatory and enforcement authorities in the jurisdictions in which it operates. The SCBSL Group, therefore, exposed to many forms of legal and regulatory risk, which may arise in a number of ways, primarily:

- as a result of changes in applicable laws and regulations or in their application or interpretation; this may cause losses and the SCBSL Group may not be able to predict the timing or form of any current or future regulatory or law enforcement initiatives which are becoming increasingly common for international banks and financial institutions;
- as a result of being subject to extensive laws and regulations which are designed to combat money laundering and terrorist financing, and requiring action to be taken to enforce compliance with sanctions against designated countries, entities and persons, including countries in which, and entities or persons with which, the SCBSL Group may conduct and may have conducted business from time to time;
- in connection with the risk from defective transactions or contracts, either where contractual obligations are not enforceable or do not allocate rights and obligations as intended, or where contractual obligations are enforceable against the SCBSL Group in an unexpected or adverse way, or by defective security arrangements;
- as a result of the title to and ability to control the assets of the SCBSL Group (including the intellectual property of the SCBSL Group, such as its trade names) not being adequately protected; and
- as a result of allegations being made against the SCBSL Group, or claims (including through legal proceedings) being brought against the SCBSL Group. Regardless of whether such allegations or claims have merit, the outcome of legal proceedings is inherently uncertain and could result in financial loss (including as a result of the SCBSL Group being liable to pay damages).

Failure to manage legal, regulatory and compliance risks properly in a variety of adverse consequences for the SCBSL Group that, individually or in combination, could have an adverse impact on the SCBSL Group's business, financial condition, results of operations and prospects. For example:

- the SCBSL Group has been, and continues to be, subject to litigation, regulatory actions, reviews, requests for information and investigations relating to compliance with applicable laws and regulations;
- the SCBSL Group may incur costs and expenses in connection with legal proceedings and regulatory actions resulting from historical, current and future non-compliance by the SCBSL Group (or its employees, representatives, agents or third party service providers) with applicable laws and regulations, or a suspicion or perception of such non-compliance (including costs

associated with the conduct of such proceedings and any associated liability for damages) and such non-compliance may also give rise to reputational damage; and

- a failure by the SCBSL Group to comply with applicable laws or regulations may result in the SCBSL Group deciding to implement restrictions on its businesses or the markets in which it operates (or offering to relevant regulators to implement such restrictions or accepting proposed restrictions or being required by relevant regulators to do so). These restrictions may be accompanied by a requirement on the SCBSL Group to make periodical attestations to the relevant regulators as to its compliance with the relevant restrictions (and, if the SCBSL Group does not comply with such restrictions, or is unable to give any required attestations, this may give rise to the adverse consequences described above).

Any breach of law, regulation, settlement agreement or order, or non-compliance with or weakness in, the SCBSL Group's policies, standards, systems, controls and assurance for its anti-money laundering, banking secrecy, historical, current and future sanctions, compliance, corruption and tax crime prevention efforts may give rise to the adverse consequences described above, any of which could have a material adverse impact on the SCBSL Group, including its reputation, business, financial condition, results of operations and prospects.

In June 2025, a lawsuit was filed in the Singapore High Court against Standard Chartered Bank (Singapore) Limited, by three companies now in liquidation that had misappropriated funds from 1Malaysia Development Berhad (1MDB), seeking US\$2.7 billion. The companies allege, among other things, that Standard Chartered Singapore knew or ought to have known that these companies were engaged in the fraud on 1MDB at the time that Standard Chartered Singapore effected transfers instructed by these companies. The companies allege that in doing so, Standard Chartered Singapore breached its mandate and applicable duties. Standard Chartered Singapore had reported the transaction activities of these companies before it closed their accounts in early 2013. Standard Chartered denies any and all liability and will defend against this lawsuit.

Additionally, a substantial liability arising from a lawsuit judgment or a significant regulatory action against the SCBSL Group or a disruption in the SCBSL Group's business arising from adverse adjudications in proceedings against its directors, officers or employees could have a material adverse effect on the SCBSL Group's business, financial condition, results of operations and prospects. Moreover, even if the SCBSL Group ultimately prevails in the litigation, regulatory action or investigation, the SCBSL Group could suffer significant harm to its reputation, which could materially affect its prospects.

The SCBSL Group is exposed to the risks of operating in a highly regulated industry and changes to banking and financial services laws and regulations.

The SCBSL Group's businesses are subject to a complex framework of banking and financial services laws and regulations which give rise to associated legal and regulatory risks, including the effects of changes in laws, regulations, policies, regulatory interpretations and voluntary codes of practice. Legislative and regulatory changes, and changes to governmental or regulatory policy, that could adversely impact the SCBSL Group's business include:

- the monetary and other policies of central banks and regulatory authorities;
- general changes in governmental or regulatory policy, or changes in regulatory regimes that may significantly influence investor decisions in particular markets in which the SCBSL Group operates, may change the structure of those markets and the products offered, or may increase the costs of doing business in those markets;
- changes to other regulatory requirements such as rules on consumer protection and prudential rules relating to capital adequacy and/or liquidity and/or loss-absorbing capacity instruments, charging special levies to fund governmental intervention in response to crises (which may not be tax-deductible for the SCBSL Group), separation of certain businesses from deposit-taking and the breaking-up of financial institutions that are perceived to be too large for regulators to mitigate the systemic risks of their failure or so large and complex that they cannot be effectively managed;
- over-the-counter ("OTC") derivatives reforms across the SCBSL Group's markets, designed to contain systemic risk (central clearing, margin requirements, capital) and increase market

transparency (real-time reporting, exchange or swap execution facility trading, disclosure and record retention);

- changes in competition and pricing environments;
- further developments in relation to financial reporting, including changes in accounting and auditing standards, corporate governance, conduct of business and employee compensation; and
- new and increased regulations regarding digital assets, cyber security, sustainability and climate risk.

In recent years there has been a substantial increase in the regulation and supervision of the financial services industry in order to seek to prevent future crises and otherwise ensure the stability of institutions or mitigate any risks to financial stability associated with their failure, including the imposition of higher capital and liquidity requirements, establishing of resolution and recovery planning requirements, increased levies and taxes, requirements to centrally clear certain transactions, heightened disclosure standards, further development of corporate governance and employee compensation regimes and restrictions on certain types of transaction structures.

While there is growing international regulatory co-operation on the supervision and regulation of internationally active banking groups, the SCBSL Group is, and will continue to be, subject to the complexity of complying with existing and new regulatory requirements in each of the jurisdictions in which it operates. Where changes in regulation are implemented they may not be coordinated, potentially resulting in the SCBSL Group having to comply with different and possibly conflicting requirements. For example, while the U.S. administration has signalled an intent to relax regulation and its adoption of Basel 3.1 rules may differ from proposed policies and the UK has delayed its implementation of Basel 3.1 to 2027, some Asian markets have gone live with their Basel 3.1 rules as of 2025.

The foregoing matters may adversely impact any number of areas of the SCBSL Group's operations and activities which in turn may have a material adverse effect on its business, financial condition, results of operations and prospects.

The exercise by the MAS of resolution powers may be beyond the control of the Issuer.

The MAS has certain resolution powers over failed financial institutions (or financial institutions which are at risk of failure, or which have breached their regulatory obligations) and these resolution powers can be exercised by the MAS prior to insolvency of the said financial institutions. These resolution powers are set out in the Financial Services and Markets Act 2022 of Singapore (the "**FSM Act**").

The MAS' resolution powers include among other things, the power to transfer the whole or part of the business of a financial institution, the power to order a compulsory transfer of shares of a financial institution, the power to order a compulsory restructuring of share capital of the institution, the exercise of statutory powers allowing the MAS to temporarily stay early termination rights (including set-off and netting rights) of counterparties to financial contracts (including those governed by foreign laws) entered into with a financial institution over which the MAS may exercise its resolution powers (which would include Singapore licensed banks), a statutory bail-in regime, cross-border recognition of resolution action, creditor safeguards and resolution funding. The MAS also has statutory bail-in powers to write down or convert a Singapore-incorporated bank or Singapore-incorporated bank holding company's debt into equity. These powers extend to SCBSL. As specified under regulation 28 of the Financial Services and Markets (Resolution of Financial Institutions) Regulations 2024 (the "**RFI Regulations**"), the classes of instruments subject to the statutory bail-in powers of the MAS in relation to Singapore-incorporated banks and Singapore-incorporated bank holding companies include equity instruments and unsecured subordinated debt issued on or after 29 November 2018. In addition, a Singapore-incorporated bank which has been issued a direction concerning recovery planning and implementation and its subsidiaries must include enforceable provisions in their financial contracts governed by foreign laws which contain termination rights to ensure that the exercise of the termination rights for such contracts will be subject to MAS' 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). This would apply to financial contracts governed by foreign laws which contain termination rights that are entered into by the Singapore-incorporated bank or its subsidiaries on or after 1

November 2024, or an existing contract which the Singapore- incorporated bank or its subsidiaries executes transactions under it on or after 1 November 2024.

If the MAS exercises its resolution powers in respect of the SCBSL Group, this may have the effect of adversely affecting the SCBSL Group's business, financial condition and results of operations.

Material changes in financial market conditions could adversely affect the SCBSL Group's business, financial condition and results of operations.

The SCBSL Group is exposed to market risk arising from market-making, structuring and packaging of investment products for clients, trading and fund deployment. Trading market risk arises from the impact on trading profits as a result of changes in foreign exchange rates, commodity prices, equity prices, interest rates and credit spreads. Changes in interest levels, yield curves and spreads may affect, among other things, interest rate margins. In particular, if the yield on interest-earning assets does not increase at the same time or to the same extent as the SCBSL Group's cost of funds, or if the cost of funds does not decline at the same time or to the same extent as a decrease in yield on interest-earning assets, the SCBSL Group's net interest income and net interest margin may be adversely affected.

The SCBSL Group's operations outside Singapore are subject to fluctuations in foreign currency exchange rates against Singapore dollars. In addition, a portion of the SCBSL Group's income, expenses, assets and liabilities in Singapore are denominated in foreign currencies. To the extent that the SCBSL Group's foreign currency denominated income, expenses, assets and liabilities are not matched in the same currency or appropriately hedged, fluctuations in foreign currency exchange rates against Singapore dollars may adversely affect the SCBSL Group's business, financial condition and results of operations. From time to time, the MAS may announce changes to the Singapore dollar nominal effective exchange rate policy band. There can be no assurance that such policy changes will not adversely affect the SCBSL Group's business, financial condition and results of operations.

Systemic risk resulting from failures in the banking industry could adversely affect the SCBSL Group.

Within the financial services industry, the default of any institution or corporate could lead to defaults by other institutions. Concerns about, or a default by, one institution could lead to significant liquidity problems, losses or defaults by other institutions because the commercial soundness of many financial institutions may be closely related as a result of their credit, trading, clearing or other relationships. This risk is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with whom the SCBSL Group interacts on a daily basis. This could have an adverse effect on the SCBSL Group's ability to raise new funding and on the SCBSL Group's business, financial condition and results of operations.

In particular, the SCBSL Group is exposed to the risks of Singapore's financial system and the other financial systems in which it operates. Any difficulties or instability of the financial system in Singapore or the other locations in which the SCBSL Group operates could create an adverse market perception about financial institutions and banks in the affected region and could adversely affect its business. The SCBSL Group's transactions with these financial institutions expose it to credit risk in the event of default by the counterparty, which can be exacerbated during periods of market illiquidity.

Country risk could adversely affect the SCBSL Group's business, financial condition and results of operations.

Country risk is the risk that a counterparty is unable to meet its contractual obligations as a result of adverse economic conditions or actions taken by governments in the relevant countries. This includes the risk that a sovereign borrower may be unable or unwilling to fulfil its foreign currency or cross-border contractual obligations and the risk that a non-sovereign counterparty may be unable to fulfil its contractual obligations as a result of currency shortage due to adverse economic conditions or actions taken by the government of the country. These risks could adversely affect the SCBSL Group's business, financial condition and results of operations.

Losses on the SCBSL Group's investments may have a material adverse effect on its business, financial condition, results of operations and prospects.

The SCBSL Group's investment returns, and thus its profitability, may be materially and adversely affected by conditions affecting its investments, including the level or volatility of interest rates or prices, currency

exchange rates, credit and liquidity conditions, the performance and volatility of capital markets, asset values, and macroeconomic and geopolitical conditions, all of which could, in turn, have a material adverse effect on the SCBSL Group's business, financial condition, results of operations and prospects.

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

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

Furthermore, the SCBSL Group's operations outside Singapore are subject to fluctuations in foreign exchange rates and a portion of the SCBSL Group's assets and liabilities in Singapore are denominated in foreign currencies, which could be adversely affected by currency exchange rate fluctuations. To the extent that the SCBSL Group's foreign currency denominated assets and liabilities are not matched in the same currency or appropriately hedged, fluctuations in foreign currencies against the Singapore dollar will create foreign currency translation gains or losses and may materially and adversely affect the SCBSL Group's business, financial condition, results of operations and prospects.

The SCBSL Group is exposed to derivative financial instruments and market counterparties and any deterioration of creditworthiness of counterparties and/or adverse market impact on fair value of derivatives could adversely affect the SCBSL Group's business, financial condition, results of operations and prospects.

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

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

The SCBSL Group may face significant challenges in achieving the goals of its business strategy.

The SCBSL Group's strategy may not succeed if market conditions are not stable, market opportunities develop more slowly than expected, the identified strategic initiatives have less potential than originally envisaged, or the profitability of the SCBSL Group's products and services is undermined by competitive pressures. Any failure to execute its strategy in the manner envisioned could have a material and adverse impact on the SCBSL Group's business, financial condition and results of operations.

The SCBSL Group's focus on digitalisation also exposes it to a range of cyber risks. With the digital landscape evolving quickly, there can be no assurance that the SCBSL Group will be able to fully and successfully execute its digital strategy. See "Risk Factors – Risks relating to the SCBSL Group –

Significant security breaches, data theft, cyber-attacks, systems failure or calamities could adversely affect the SCBSL Group's business, financial condition and results of operations."

Risks may arise from pursuing inorganic opportunities.

The SCBSL Group may from time to time evaluate inorganic opportunities, including acquisitions, divestments, joint ventures and investments, with a view to determining whether those opportunities will enhance the SCBSL Group's strategic position and financial performance.

The certainty and timing (including the timelines of any public releases) of any such inorganic opportunities are not wholly within the SCBSL Group's control and may be impacted by a range of factors outside of the control of the SCBSL Group, including the actions and/or decisions of transaction counterparties and/or regulators. Pursuit of such inorganic opportunities inherently involves transaction risks, including over-valuation of an acquisition or investment or under-valuation of a divestment, and exposure to reputational damage. Integration or separation of an acquired or divested business, as the case may be, can be complex and costly, and the SCBSL Group may encounter difficulties in integrating or separating businesses, including failure to realise expected synergies, combining or separating relevant accounting and data processing systems, disruption to operations, as well as managing relevant relationships with employees, customers, regulators, counterparties, suppliers and other business partners. Integration or separation efforts could also create inconsistencies in standards, controls, procedures and policies, as well as diversion of management resources or higher than expected costs. There can also be no assurance that employees, customers, counterparties, suppliers and other business partners of newly acquired or retained businesses will remain post-acquisition or post-divestment, and the loss of employees, customers, counterparties, suppliers and other business partners may adversely affect the SCBSL Group's operations or results. Any of these risks and difficulties may ultimately have an adverse impact on the SCBSL Group's financial performance and position.

In addition, there are risks relating to the completion of any particular transaction occurring, including counterparty and settlement risk, or the non-satisfaction of any completion conditions (for example, relevant regulatory or third-party approvals and/or other completion conditions). This may adversely affect the SCBSL Group's ability to conduct its business successfully and impact the SCBSL Group's operations or results. The SCBSL Group may also be restricted by the terms of any confidentiality or similar agreement in connection with any opportunity being pursued from publicly disclosing details of such opportunity. In addition, where the SCBSL Group's acquisitions are in foreign jurisdictions, or are in emerging or growth economies in particular, they may be exposed to heightened levels of regulatory scrutiny and political, social or economic disruption and sovereign and/or reputational risk in emerging and growth markets. The SCBSL Group may also be exposed to disputes, litigation or other proceedings as a result of pursuing inorganic opportunities which may arise from existing stakeholders (including, for example, customers or employees, minority shareholders, creditors or investors) or in any other counterparty involved in, or connected with, the acquisition, divestment, joint venture or investment (as the case may be). The SCBSL Group's operating performance, risk profile and capital structure may consequently be affected by these opportunities and there is a risk that the SCBSL Group's credit ratings may be placed on credit watch or downgraded if these opportunities are pursued.

The SCBSL Group may also have ongoing exposures to divested businesses, including through the provision of continued services and infrastructure or an agreement to retain certain liabilities of the divested businesses through warranties and indemnities, which may have an adverse impact on the SCBSL Group's business and financial performance and position.

Any inability to attract and retain talented professionals may adversely impact the SCBSL Group's business.

The SCBSL Group's business is growing more complex with geographic expansion internationally and product line expansion. The SCBSL Group's continued success depends in part on the continued service of key members of the SCBSL Group's management team and the SCBSL Group's ability to continue to attract, train, motivate and retain highly qualified professionals, which are key elements of the SCBSL Group's strategy and which the SCBSL Group believe to be a significant source of its competitive advantage. The successful implementation of the SCBSL Group's strategy depends on the availability of skilled management and on the SCBSL Group's ability to attract and train young professionals. If the SCBSL Group fails to staff operations appropriately, or lose one or more key members of the SCBSL Group's senior management team or qualified professionals and fail to replace them in a satisfactory and

timely manner, the SCBSL Group's business, financial condition, results of operations and prospects, including its control and operational risks, may be materially and adversely affected. Likewise, if the SCBSL Group fails to attract and appropriately train, motivate and retain young professionals or other talent, the SCBSL Group's business may likewise be affected.

The SCBSL Group depends on the accuracy and completeness of information about customers and counterparties.

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

Terrorist activities, natural calamities and outbreak of communicable diseases around the world could lead to higher volatility in international capital markets, which may materially and adversely affect the SCBSL Group's business, financial condition and results of operations.

Terrorist attacks, natural calamities and outbreak of communicable diseases around the world may affect investor sentiment and could result in sporadic volatilities in international capital markets or adversely affect Singapore and other economies. For example, the outbreak of COVID-19 has resulted in, among other things, renewed travel and transportation restrictions, supply chain disruptions and increased volatility in international capital markets. Similarly, natural calamity incidents are increasing in frequency throughout the world, causing loss of agricultural and industrial production and exports as well as destruction of infrastructure. Any material change in the financial markets, the Singapore economy or economies of countries or regions where the SCBSL Group operates as a result of these events or developments may materially and adversely affect the SCBSL Group's business, financial condition and results of operations.

Changes in the SCBSL Group's accounting policies or in accounting standards could affect its capital ratios and how it reports its financial condition and results of operations.

The SCBSL Group's financial statements for the years ended 31 December 2023, 2024 and 2025 were prepared in accordance with SFRS(I). From time to time, the Accounting and Corporate Regulatory Authority may change accounting standards, which could affect the SCBSL Group's capital ratios or how it reports its financial position and performance. In some cases, the Issuer could be required to apply a new or revised standard retroactively, or voluntarily elect to change its accounting policies, resulting in restating prior period financial statements.

The SCBSL Group has not adopted certain accounting standards which have been issued but are not yet effective (see Note 2 to the SCBSL Group's financial statements for the financial year ended 31 December 2025). Notwithstanding that the SCBSL Group expects the adoption of these standards to not have a material impact on the SCBSL Group's financial statements in the year of initial application, any other changes to SFRS(I), to the extent applicable, that may be proposed in the future, could materially adversely affect the SCBSL Group's reported results of operations and financial position.

An investor may experience difficulties in enforcing civil liabilities under U.S. federal securities laws against the SCBSL Group, the Directors and executive officers of SCBSL and certain other parties.

SCBSL is incorporated under the laws of Singapore and most of its subsidiaries, associates, Directors and executive officers are incorporated outside or reside outside the United States of America. All or substantially all of the assets of such persons, and all of the SCBSL Group's assets, are located outside or are organised outside the United States. As a result, it may be difficult for investors to enforce judgments against SCBSL or such persons in U.S. courts predicated upon the civil liability provisions of U.S. federal securities laws. In particular, investors should be aware that judgments of United States courts based on the civil liability provisions of the federal securities laws of the United States are not enforceable in Singapore.

courts and there is doubt as to whether Singapore courts will enter judgments in original actions brought in Singapore courts based solely upon the civil liability provisions of the federal securities laws of the United States.

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

The SCBSL Group is subject to the accounting standards and requirements of Singapore, which differ in certain material respects from those applicable to banks in certain other countries. Also, there may be less publicly available information about Singapore companies than is regularly made available by or about listed or non-listed companies in certain other countries. Furthermore, the Issuer's shares, and any of those of the SCBSL Group, are not listed and publicly traded on any stock exchange.

This Offering Memorandum does not include a reconciliation of the SCBSL Group's financial statements or the financial statements of the SCBSL Group to U.S. GAAP and IFRS and there can be no assurance that such reconciliation would not identify material quantitative differences.

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

Risks Relating to the Covered Bond Guarantor

The Covered Bond Guarantor is only obliged to pay Guaranteed Amounts when the same are Due for Payment.

Subsequent to a failure by the Issuer to make a payment in respect of one or more Series of Covered Bonds, the Bond Trustee may, but is not obliged to, serve an Issuer Acceleration Notice unless and until requested or directed by the holders of at least one-quarter in nominal amount of such Series of Covered Bonds together with the Covered Bonds of any other Series then outstanding as if they were a single Series or if so directed by an Extraordinary Resolution of all the Covered Bondholders in accordance with Condition 9(a) (*Issuer Events of Default*). Pursuant to the terms of the Bond Trust Deed, following service of an Issuer Acceleration Notice on the Issuer, a Notice to Pay will be served forthwith by the Bond Trustee on the Covered Bond Guarantor. Following service of an Issuer Acceleration Notice on the Issuer and a Notice to Pay on the Covered Bond Guarantor, under the terms of the Covered Bond Guarantee the Covered Bond Guarantor will be obliged to pay Guaranteed Amounts as and when the same are Due for Payment. In these circumstances, the Covered Bond Guarantor will not be obliged to pay any other amounts which become payable to the Covered Bondholders for any other reason.

Payments by the Covered Bond Guarantor will be made subject to any applicable withholding or deduction and the Covered Bond Guarantor will not be obliged to pay any additional amounts as a consequence. The attention of Covered Bondholders is drawn to the section headed "*Taxation – Singapore Taxation – Payments by the Covered Bond Guarantor under the Covered Bond Guarantee*". Prior to service on the Covered Bond Guarantor of a Covered Bond Guarantor Acceleration Notice, the Covered Bond Guarantor will not be obliged to make any payments in respect of broken funding indemnities, penalties, premiums, default interest or interest on interest which may accrue on or in respect of the Covered Bonds. In addition, the Covered Bond Guarantor will not be obliged at any time to make any payments in respect of additional amounts which may become payable by the Issuer under Condition 7 (*Taxation*).

Subject to any grace period, if the Covered Bond Guarantor fails to make a payment when Due for Payment under the Covered Bond Guarantee or any other Covered Bond Guarantor Event of Default occurs, then the Bond Trustee may accelerate the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee by service of a Covered Bond Guarantor Acceleration Notice, whereupon the Bond Trustee will have a claim under the Covered Bond Guarantee for an amount equal to the Early Redemption Amount of each Covered Bond, together with accrued interest and all other amounts then due under the Covered Bonds (other than additional amounts payable under Condition 7 (*Taxation*)), although in such circumstances the Covered Bond Guarantor will not be obliged to gross up in respect of any withholding which may be required in respect of any payment. Following service of a Covered Bond Guarantor Acceleration Notice and/or the commencement of winding-up proceedings against the Covered Bond Guarantor, the Security Trustee may enforce the Security over the Charged Property. The proceeds of enforcement and realisation of the Security shall be applied by the Security Trustee in accordance with the Post-Enforcement Priority

of Payments in the Singapore Deed of Charge, and the Covered Bondholders will receive amounts from the Covered Bond Guarantor on an accelerated basis. However, the proceeds of enforcement and realisation of the Security may not be sufficient to repay the Covered Bondholders in full (see further "*Limited resources are available to the Covered Bond Guarantor to make payments due under the Covered Bond Guarantee*").

Excess Proceeds received by the Bond Trustee will be paid to the Covered Bond Guarantor and will not reduce or discharge the Covered Bond Guarantor's obligations.

Following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice, the Bond Trustee may receive Excess Proceeds. The Excess Proceeds will be paid by the Bond Trustee on behalf of the Covered Bondholders of the relevant Series to the Covered Bond Guarantor for its own account, as soon as practicable, and will be held by the Covered Bond Guarantor in the Transaction Account and the Excess Proceeds will thereafter form part of the Security and will be used by the Covered Bond Guarantor in the same manner as all other monies from time to time standing to the credit of the Transaction Account. Any Excess Proceeds received by the Bond Trustee and held by it or under its control will discharge, to that extent, the obligations of the Issuer in respect of the Covered Bonds, Receipts and Coupons (subject to restitution of the same if such Excess Proceeds shall be required to be repaid by the Covered Bond Guarantor). However, the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee are unconditional and irrevocable (following service on the Covered Bond Guarantor of a Notice to Pay) and the receipt by the Bond Trustee of any Excess Proceeds will not reduce or discharge any such obligations.

By subscribing for Covered Bond(s), each Covered Bondholder will be deemed to have irrevocably directed the Bond Trustee to pay the Excess Proceeds to the Covered Bond Guarantor in the manner as described above.

Limited resources are available to the Covered Bond Guarantor to make payments due under the Covered Bond Guarantee.

Subject as provided in Condition 9 (*Events of Default*) and the Bond Trust Deed, following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice on the Issuer, all amounts payable under the Covered Bonds will be accelerated by the Bond Trustee as against the Issuer following which a Notice to Pay will be served by the Bond Trustee on the Covered Bond Guarantor. The Covered Bond Guarantor's ability to meet its obligations under the Covered Bond Guarantee will depend on:

- (i) the realisable value of Selected Loans in the Portfolio;
- (ii) the amount of Revenue Receipts and Principal Receipts generated by the Portfolio and the timing thereof;
- (iii) amounts received from the Swap Providers (if applicable);
- (iv) the realisable value of Authorised Investments and Substitution Assets held by it; and
- (v) the receipt by it of credit balances and interest on credit balances on the Transaction Account and the other Covered Bond Guarantor Accounts. Recourse against the Covered Bond Guarantor under the Covered Bond Guarantee is limited to the aforementioned assets and the Covered Bond Guarantor will not have any other source of funds available to meet its obligations under the Covered Bond Guarantee.

If a Covered Bond Guarantor Event of Default occurs and the Security created by or pursuant to the Deeds of Charge is enforced, the Charged Property may not be sufficient to meet the claims of all the Secured Creditors, including the Covered Bondholders. For example, if economic activity in Singapore and globally is adversely affected by macroeconomic factors, the value of Charged Property may decrease, and the proceeds from the enforcement of the Security may not be sufficient to satisfy the claims of the Covered Bondholders. In addition, in such circumstances if the value of the Charged Property decreases materially, it may not be possible for the Issuer/Covered Bond Guarantor to maintain the value of the Asset Pool at sufficient levels to meet the Asset Coverage Test to avoid an Issuer Event of Default.

The Covered Bonds will be limited recourse obligations of the Covered Bond Guarantor. If, and to the extent that, after the Charged Property has been realised as fully as practicable and the proceeds thereof have been applied in accordance with the applicable Priority of Payments, the amounts recovered on

realisation of the Charged Property are insufficient to pay or discharge amounts due from the Covered Bond Guarantor to the Secured Creditors in full for any reason, the Covered Bond Guarantor will have no liability to pay or otherwise make good any such insufficiency.

If, following enforcement of the Security constituted by or pursuant to the Deeds of Charge, the Secured Creditors have not received the full amount due to them pursuant to the terms of the Transaction Documents, then they may still have an unsecured claim against the Issuer for the shortfall. There is no guarantee that the Issuer will have sufficient funds to pay that shortfall.

Covered Bondholders should note that the Asset Coverage Test has been structured to test whether the Adjusted Aggregate Loan Amount is at least equal to the SGD Equivalent of the aggregate outstanding nominal amount of all the Covered Bonds as calculated on the relevant Calculation Date, which should reduce the risk of there ever being a shortfall (although there is no assurance of this – in particular, the sale of further Non-CPF Loans and their Related Security by the Seller to the Covered Bond Guarantor or the inclusion of further CPF Loans and their Related Security (and any related Top-up Loans) in the Assets Trust may be required to avoid or remedy a breach of the Asset Coverage Test). The Covered Bond Guarantor must ensure that following the service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor), the Amortisation Test is satisfied as of each Calculation Date as a breach of the Amortisation Test will constitute a Covered Bond Guarantor Event of Default and will entitle the Bond Trustee to serve a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor (see "*Summary of the Principal Documents – Establishment Deed – Amortisation Test*" and "*Credit Structure including Asset Tests – Amortisation Test*"). The Asset Coverage Test (see "*Summary of the Principal Documents – Establishment Deed – Asset Coverage Test*") has been structured to ensure that the Asset Pool is sufficient to pay amounts due on the Covered Bonds and senior ranking expenses which will include costs relating to the maintenance, administration and winding-up of the Asset Pool whilst the Covered Bonds are outstanding. However, no assurance can be given that the Asset Pool will yield sufficient amounts for such purpose.

There is no guarantee that the proceeds of realisation of the Charged Property following the occurrence of a Covered Bond Guarantor Event of Default will be in an amount sufficient to repay all amounts due to the Secured Creditors.

If a Covered Bond Guarantor Event of Default occurs and is continuing and a Covered Bond Guarantor Acceleration Notice is served on the Covered Bond Guarantor and the Issuer, then the Security Trustee will be entitled to enforce the Security created under and pursuant to the Deeds of Charge and the proceeds from the realisation of the Charged Property will be applied by the Security Trustee towards payment of all secured obligations in accordance with the Post-Enforcement Priority of Payments described in the section headed "*Cashflows and Priorities of Payments*".

There is no guarantee that the proceeds of realisation of the Charged Property will be in an amount sufficient to repay all amounts due to the Secured Creditors (including the Covered Bondholders) under the Covered Bonds and the Transaction Documents. For example, economic activity in Singapore is adversely impacted by macroeconomic factors, it is possible that the Singapore government would introduce measures to grant borrowers, in particular homeowners, temporary relief from enforcement by lenders of security under housing loans and mortgages, which could materially and adversely affect the ability to enforce the Security.

If a Covered Bond Guarantor Acceleration Notice is served on the Covered Bond Guarantor and the Issuer, then the Covered Bonds may be repaid sooner or later than expected or not at all.

The Covered Bond Guarantor will not gross up payment of Guaranteed Amounts for withholding or similar taxes.

The holders of Covered Bonds may not receive any payments from the Covered Bond Guarantor to compensate for any tax withheld by the Covered Bond Guarantor on behalf of a public taxing authority of any jurisdiction.

If withholding of, or deduction on account of, any present or future taxes, duties, assessments or charges of whatever nature is imposed by or on behalf of a public authority of any jurisdiction having power to tax, the Covered Bond Guarantor will make the required withholding or deduction of such taxes, duties,

assessments or charges for the account of the Covered Bondholders, as the case may be. The Covered Bond Guarantor will not be obliged to pay any additional amounts as a consequence.

The Covered Bond Guarantor is reliant on third parties for the performance of certain services.

The Covered Bond Guarantor has entered into agreements with a number of third parties, which have agreed to perform services for the Covered Bond Guarantor. In particular, but without limitation, the Servicer has been appointed to service Loans in the Portfolio sold to the Covered Bond Guarantor, the Cash Manager has been appointed to calculate and monitor compliance with the Asset Coverage Test and the Amortisation Test and to provide certain cash management services to the Covered Bond Guarantor and the Transaction Account will be held with the Account Bank. In the event that any of those parties fails to perform its obligations under the relevant agreement to which it is a party, the realisable value of the Portfolio or any part thereof or pending such realisation (if the Portfolio or any part thereof cannot be sold) the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee may be affected. For instance, if the Servicer has failed to adequately administer the Loans, this may lead to higher incidences of non-payment or default by Borrowers. If applicable, the Covered Bond Guarantor is also reliant on the Swap Providers to provide it with the funds matching its obligations under the Intercompany Loan Agreement and the Covered Bond Guarantee, as described below.

If a Servicer Event of Default occurs pursuant to the terms of the Servicing Agreement, then the Covered Bond Guarantor and/or the Security Trustee will be entitled to terminate the appointment of the Servicer and appoint a new servicer in its place. This is notwithstanding section 440 of the Insolvency, Restructuring and Dissolution Act 2018 of Singapore (the "IRDA"), which prevents the termination of a contract or agreement by reason only that proceedings for judicial management or a scheme of arrangement are commenced or that the company is insolvent, as the Servicing Agreement is a contract that is connected with a covered bond and thus should be an "eligible financial contract" which is excluded from the application of section 440. There can be no assurance that a substitute servicer with sufficient experience of administering mortgages of residential properties would be found who would be willing and able to service the Loans on terms substantially similar to those of the Servicing Agreement. In addition, as described below, any substitute servicer will be required to be authorised under applicable legislation and regulation. The ability of a substitute servicer to fully perform the required services would depend, among other things, on the information, software and records available at the time of the appointment. Any delay or inability to appoint a substitute servicer may affect the realisable value of the Portfolio or any part thereof, and/or the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee.

The Servicer has no obligation itself to advance payments that Borrowers fail to make in a timely fashion. Covered Bondholders will have no right to consent to or approve of any actions taken by the Servicer under the Servicing Agreement.

Neither the Security Trustee nor the Bond Trustee is obliged in any circumstances to act as a servicer or to monitor the performance by the Servicer of its obligations.

Performance of Contractual Obligations.

The ability of the Issuer or the Covered Bond Guarantor to make payments in respect of the Covered Bonds may depend upon the due performance of the respective obligations of the other parties to the transaction documents, including the performance by the Bond Trustee, the Security Trustee, the Agents, the CMU Lodging and Paying Agent, the DTC Paying Agent and/or the CDP Paying Agent of their respective obligations. Whilst the non-performance of any relevant parties will not relieve the Issuer or, as applicable, the Covered Bond Guarantor, of their respective obligations to make payments in respect of the Covered Bonds, the Issuer may not, in such circumstances, be able to fulfil its obligations to the Covered Bondholders, Receiptholders and the Couponholders.

The Covered Bond Guarantor is reliant on Swap Providers in order to hedge certain currency and/or interest rate risks connected with the Covered Bond Guarantee.

If the Covered Bond Guarantor fails to make timely payments of amounts due under any Swap Agreement, then it will have defaulted under that Swap Agreement and such Swap Agreement may be terminated. Further, a Swap Provider is only obliged to make payments to the Covered Bond Guarantor as long as and to the extent that the Covered Bond Guarantor complies with its payment obligations under the relevant Swap Agreement. If a Swap Agreement terminates or the Swap Provider is not obliged to make payments

or if it defaults in its obligations to make payments of amounts in the relevant currency equal to the full amount to be paid to the Covered Bond Guarantor on the payment date under the Swap Agreements, the Covered Bond Guarantor will be exposed to changes in the relevant currency exchange rates to Singapore dollars (where relevant) and/or to any changes in the relevant rates of interest. Unless a replacement swap is entered into, the Covered Bond Guarantor may have insufficient funds to make payments under the Covered Bond Guarantee. This may affect an investor in a Series or Tranche of Covered Bonds even if the non-paying Swap Provider relates to a different Series or Tranche of Covered Bonds, since the failure to pay on the affected Series or Tranche of Covered Bonds may affect all of the Covered Bonds under the Programme.

If a Swap Agreement terminates, then the Covered Bond Guarantor may be obliged to make a termination payment to the relevant Swap Provider. There can be no assurance that the Covered Bond Guarantor will have sufficient funds available to make a termination payment under the relevant Swap Agreement, nor can there be any assurance that the Covered Bond Guarantor will be able to find a replacement swap counterparty which has sufficiently high ratings as may be expected by any of the Rating Agencies and which agrees to enter into a replacement swap agreement.

If the Covered Bond Guarantor is obliged to pay a termination payment under any Swap Agreement, such termination payment will rank ahead of amounts due on the Covered Bonds in respect of the Interest Rate Swap (if any) and if the Covered Bond Guarantor is obliged to pay a termination payment under any Covered Bond Swap Agreement, such termination payment will rank *pari passu* with amounts due on the Covered Bonds in respect of the Covered Bond Swaps, in each case, except where default by, or downgrade of, the relevant Swap Provider has caused the relevant Swaps to terminate. The obligation to pay a termination payment may adversely affect the ability of the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee.

There can be no assurance that any Interest Rate Swap and/or any Covered Bond Swaps will hedge all currency and/or interest rate risks associated with a Series or Tranche of Covered Bonds.

There is uncertainty as to the validity and/or enforceability of subordination provisions in insolvency proceedings.

There is uncertainty as to the validity and/or enforceability of a provision which (based on contractual and/or trust principles) subordinates certain payment rights of a creditor to the payment rights of other creditors of its counterparty upon the occurrence of insolvency proceedings relating to that creditor. In particular, recent cases have focused on provisions involving the subordination of a swap counterparty's payment rights in respect of certain termination payments upon the occurrence of insolvency proceedings or other default on the part of such counterparty. Such provisions are similar in effect to the terms which will be included in the Transaction Documents relating to the subordination of Excluded Swap Termination Amounts.

The UK Supreme Court has held that such a subordination provision is valid under English law. It is likely that a Singapore court would also consider such a subordination provision to be valid under Singapore law. Contrary to the determination of the UK Supreme Court, the U.S. Bankruptcy Court in 2010 and 2011 held that such a subordination provision is unenforceable under U.S. bankruptcy law and that any action to enforce such provision would violate the automatic stay which applies under such law in the case of a U.S. bankruptcy of the counterparty. However, in a June 2016 decision, the U.S. Bankruptcy Court departed in some respects from the prior cases and held that such subordination provisions and payments made thereunder were enforceable and protected under the safe harbour provisions of the U.S. Bankruptcy Code related to swap agreement transactions.

If a creditor of the Covered Bond Guarantor (such as the Swap Providers) or a related entity becomes subject to insolvency proceedings in any jurisdiction outside England and Wales or Singapore (including, but not limited to, the U.S.), and it is owed a payment by the Covered Bond Guarantor, a question arises as to whether the insolvent creditor or any insolvency official appointed in respect of that creditor could successfully challenge the validity and/or enforceability of subordination provisions included in the English law governed Transaction Documents (such as a provision of the Priorities of Payments which refers to the ranking of the Swap Providers' payment rights in respect of Excluded Swap Termination Amounts). In particular, based on the decision of the U.S. Bankruptcy Court referred to above, there is a risk that such subordination provisions would not be upheld under U.S. bankruptcy laws. Such laws may be relevant in certain circumstances with respect to a range of entities which may act as Swap Providers, including U.S.

established entities and certain non-U.S. established entities with assets or operations in the U.S. (although the scope of any such proceedings may be limited if the relevant non-U.S. entity is a bank with a licensed branch in a U.S. state). In general, if a subordination provision included in the Transaction Documents was successfully challenged under the insolvency laws of any relevant jurisdiction outside England and Wales or Singapore and any relevant foreign judgment or order was recognised by the English courts or Singapore courts, there can be no assurance that such actions would not adversely affect the rights of the Covered Bondholders, the market value of the Covered Bonds and/or the ability of the Covered Bond Guarantor to satisfy its obligations under the Covered Bonds.

Lastly, given the general relevance of the issues under discussion in the judgments referred to above and that the Transaction Documents will include terms providing for the subordination of Excluded Swap Termination Amounts, there is a risk that the final outcome of the dispute in such judgments (including any recognition action by the English courts or Singapore courts) may result in negative rating pressure in respect of the Covered Bonds. If any rating assigned to the Covered Bonds is lowered, the market value of the Covered Bonds may reduce.

Differences in timings of obligations of the Covered Bond Guarantor and the Covered Bond Swap Provider under the Covered Bond Swaps may affect the Covered Bond Guarantor's ability to make payments under the Covered Bond Guarantee.

The Covered Bond Guarantor will, following service of a Notice to Pay on the Covered Bond Guarantor (when each relevant Covered Bond Swap becomes effective), pay or provide for payment of an amount to the Covered Bond Swap Provider on a monthly or quarterly basis (or another basis specified therein) based on the relevant Singapore dollar rate. The Covered Bond Swap Provider may not be obliged to make corresponding swap payments to the Covered Bond Guarantor under a Covered Bond Swap until amounts are Due for Payment under the Covered Bond Guarantee (for example, being on an annual basis if the relevant Series of Covered Bonds provide for payment of an annual interest coupon). If the Covered Bond Swap Provider does not meet its payment obligations to the Covered Bond Guarantor under the Covered Bond Swap Agreement or the Covered Bond Swap Provider does not make a termination payment that has become due from it to the Covered Bond Guarantor under the Covered Bond Swap Agreement, the Covered Bond Guarantor may have a larger shortfall in funds with which to make payments under the Covered Bond Guarantee with respect to the Covered Bonds than if the Covered Bond Swap Provider's payment obligations coincided with the Covered Bond Guarantor's payment obligations under the Covered Bond Swaps. Hence, the difference in timing between the obligations of the Covered Bond Guarantor and the obligations of the Covered Bond Swap Provider under the Covered Bond Swaps may affect the Covered Bond Guarantor's ability to make payments, following service of a Notice to Pay on the Covered Bond Guarantor, under the Covered Bond Guarantee with respect to the Covered Bonds. The Covered Bond Swap Provider may be required, pursuant to the terms of the Covered Bond Swap Agreement, to post collateral with the Covered Bond Guarantor if the Covered Bond Guarantor's net exposure to the Covered Bond Swap Provider under the Covered Bond Swap Agreement exceeds a certain threshold level.

Counterparties to the Transaction Documents may be required to transfer their rights if they cease to satisfy applicable criteria.

The parties to the Transaction Documents who receive and hold monies pursuant to the terms of such documents (such as the Account Bank) are required to satisfy certain criteria in order that they can continue to receive and hold monies.

These criteria include requirements in relation to the ratings in respect of short-term and long-term unsecured and unsubordinated debt obligations ascribed to such party by the Rating Agencies. If the party concerned ceases to satisfy the applicable criteria, including the ratings criteria detailed above, then the rights and obligations of that party (including the right or obligation to receive monies on behalf of the Covered Bond Guarantor) may be required to be transferred to another entity which does satisfy the applicable criteria. In these circumstances, the terms agreed with the replacement entity may not be as favourable as those agreed with the original party pursuant to the Transaction Documents.

In addition, should the applicable criteria cease to be satisfied, then the parties to the relevant Transaction Document may agree to amend or waive certain of the terms of such document, including the applicable criteria, in order to avoid the need for a replacement entity to be appointed. The consent of Covered Bondholders may not be required in relation to such amendments and/or waivers.

Changes may occur to the current law and/or regulations with respect to covered bonds and/or the Singapore mortgage market.

No assurance can be given that changes to regulations, laws or guidance, or additional regulations, laws or guidance from regulatory authorities in Singapore will not arise with regard to the mortgage market in Singapore generally, the Seller's particular sector in that market, specifically in relation to the Seller itself, or in relation to the issuance of covered bonds. Any such action, developments or associated compliance costs may have a material adverse effect on the Loans, their Related Security, the Seller, the Covered Bond Guarantor, the Issuer, the Assets Trustee and/or the Servicer and their respective businesses and operations. This may adversely affect the ability of the Covered Bond Guarantor to dispose of the Portfolio or any part thereof in a timely manner and/or the realisable value of the Portfolio or any part thereof and accordingly affect the ability of the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee when due.

The constitution of the Portfolio will frequently change.

It is expected that the constitution of the Portfolio will frequently change due to, for instance:

- (i) the Seller selling Loans and their Related Security (or New Loan Types and their Related Security) to the Covered Bond Guarantor;
- (ii) (in respect of Non-CPF Loans and their Related Security) the Seller repurchasing Non-CPF Loans and their Related Security in accordance with the Mortgage Sale Agreement and the Covered Bond Guarantor's equitable rights, estate, title, interests, benefits and remedies in the relevant Loans and their Related Security being reassigned, released and surrendered and (in respect of CPF Loans and their Related Security) the Assets Trustee accepting surrender of the Trust Assets relating to the CPF Loans and their Related Security (and any related Top-up Loans) by the CBG Beneficiary;
- (iii) payments by the Borrowers or the Mortgagors, as the case may be, on the Loans; and
- (iv) the Seller repurchasing Loans and their Related Security in accordance with the Mortgage Sale Agreement and the Declaration of Assets Trust (and the Assets Trustee making a corresponding Distribution in accordance with the terms of the Declaration of Assets Trust).

There is no assurance that the characteristics of the New Loans assigned to the Covered Bond Guarantor by the Seller or held on trust by the Assets Trustee (in favour of the CBG Beneficiary) on a Closing Date will be the same as those of the Loans in the Portfolio as at that Closing Date, save that the New Loans will be secured by a first ranking mortgage over a residential property situated in Singapore (subject to any charge registered or notified by the Central Provident Fund Board constituted under Section 3 of the CPF Act (the "CPF Board") in respect of the withdrawal of funds from the Mortgagor's account(s) with the CPF Board and certain statutory charges). However, although each Loan will be required to meet the Eligibility Criteria and the Representations and Warranties set out in the Mortgage Sale Agreement or the Declaration of Assets Trust, where applicable (see "*Summary of the Principal Documents – Mortgage Sale Agreement – Conditions to Sale of Non-CPF Loans and their Related Security and Eligibility Criteria*", "*Summary of the Principal Documents – Declaration of Assets Trust – Conditions to Sale of CPF Loans and their Related Security and Eligibility Criteria*", "*Summary of the Principal Documents – Mortgage Sale Agreement – Representations and Warranties in relation to Non-CPF Loans*" and "*Summary of the Principal Documents – Declaration of Assets Trust – Representations and Warranties in relation to CPF Loans*"), the Eligibility Criteria and Representations and Warranties may change in certain circumstances (see "*The Bond Trustee and the Security Trustee may agree to modifications to the Transaction Documents without, respectively, the Covered Bondholders' or Secured Creditors' prior consent*"). If New Loan Types are to be sold to the Covered Bond Guarantor, then the Representations and Warranties in the Mortgage Sale Agreement or the Declaration of Assets Trust, where applicable will be waived or modified as required to accommodate these New Loan Types **provided that** certain conditions have been met, including that a Rating Agency Confirmation has been received in respect of any such modification the Cash Manager has delivered a Rating Agency Confirmation to the Covered Bond Guarantor, the Security Trustee and the Bond Trustee in respect of such amendment and the Cash Manager has confirmed in writing to the Security Trustee and the Bond Trustee (as the case may be) and to the Covered Bond Guarantor that in its opinion such amendment will not have an adverse effect on the amount and timing of any payment to the Covered Bondholders (as described in "*Summary of the Principal Documents – Mortgage Sale Agreement –*

Representations and Warranties in relation to Non-CPF Loans" and "Summary of the Principal Documents – Declaration of Assets Trust – Representations and Warranties in relation to CPF Loans".)

Fixed security interests may take effect under Singapore law as floating charges.

Pursuant to the terms of the Singapore Deed of Charge, each of the Covered Bond Guarantor and the Assets Trustee on behalf of the CBG Beneficiary has purported to grant fixed charges over, amongst other things, its interests in the Loans and their Related Security, its rights and benefits in the Covered Bond Guarantor Accounts and all Authorised Investments and Substitution Assets purchased from time to time.

The fixed charges purported to be granted by the Covered Bond Guarantor and the Assets Trustee on behalf of the CBG Beneficiary may instead take effect under Singapore law as floating charges, if, for example, it is determined that the Security Trustee does not exert sufficient control over the Charged Property for the security to be said to constitute fixed security interest. If the fixed charges take effect as floating charges instead of fixed charges, then, as a matter of law, certain claims would have priority over the claims of the Security Trustee in respect of the floating charge assets. In particular, the remuneration, debts, liabilities and expenses of or incurred by any judicial manager (though note the discussion on judicial management below) or liquidator in connection with winding up and the claims of certain preferential creditors would rank ahead of the claims of the Security Trustee in this regard. Certain employee claims (in respect of wages/salary and retrenchment benefits/ex gratia payments, employer contributions to certain superannuation or provident funds and remuneration in respect of vacation leave, as may be prescribed by the Minister by order published in the Gazette) and workers' compensation due in respect of injury compensation under the Work Injury Compensation Act 2019 of Singapore also have preferential status. In this regard, it should be noted that the Covered Bond Guarantor has agreed in the Transaction Documents not to have any employees. Further, pursuant to section 91(8)(d) of the IRDA, read with the Insolvency, Restructuring and Dissolution (Prescribed Companies and Entities) Order 2020 (the "**Prescribed Companies Order**"), a judicial management order shall not be made in relation to the Covered Bond Guarantor (as a covered bond special purpose vehicle or securitisation special purpose vehicle), though under section 91(10) of the IRDA, the Court may do so if it considers that the public interest so requires. Under section 94(13) of the IRDA, an interim judicial manager or a judicial manager must not be appointed to the Covered Bond Guarantor (as a covered bond special purpose vehicle or securitisation special purpose vehicle) in a voluntary judicial management procedure either. Outside winding up or judicial management, creditors who would have priority in the case of winding up over the claims of a floating charge would continue to have such priority preserved if a receiver (which would include a receiver and manager) were appointed over the assets that are subject to the floating charge.

Certain claims rank ahead of a fixed charge.

Under Singapore law, certain claims rank ahead of a fixed charge. Such claims include:

- (i) any statutory charge in favour of the tax authority in respect of unpaid property tax;
- (ii) any charge in favour of the relevant management corporation of the estate comprising the residential property in respect of unpaid amounts or contributions;
- (iii) any statutory charge in favour of the tax authority in respect of unpaid estate duty (where applicable); and
- (iv) any charge in favour of workmen whose salary does not exceed SGD4,500 a month and employees (other than workmen) who are in receipt of a salary not exceeding SGD2,600 a month arising by virtue of Section 33 of the Employment Act 1968 of Singapore.

In this regard, if any of the abovementioned charges take effect, they will rank ahead of the fixed charges granted under the Singapore Deed of Charge. Further, if the Covered Bond Guarantor or SCBSL (as Seller or Assets Trustee) enters into judicial management or a creditors' scheme of arrangement, subject to certain safeguards, security of higher or equal priority may be granted in favour of a rescue financier (sections 67 and 101 of the IRDA respectively). However, in relation to judicial management, pursuant to section 91(8)(d) of the IRDA, a judicial management order shall not be made in relation to a bank or a covered bond special purpose vehicle or securitisation special purpose vehicle (i.e. the Covered Bond Guarantor) (when read with the Prescribed Companies Order). Under section 94(13) of the IRDA, an interim judicial manager or a judicial manager must not be appointed to the Covered Bond Guarantor (as a covered bond

special purpose vehicle or securitisation special purpose vehicle) in a voluntary judicial management procedure either. Note however that in a Court proceeding for judicial management the Court may nevertheless grant a judicial management order in relation to SCBSL (i.e. as the Seller or Assets Trustee) or the Covered Bond Guarantor if it considers that the public interest so requires. If so, section 101 of the IRDA may apply. In relation to a creditors' scheme of arrangement, section 63(3) of the IRDA read with the Prescribed Companies Order provides that part 5 of the IRDA shall not apply to SCBSL (i.e. as the Seller or the Assets Trustee) or the Covered Bond Guarantor.

Certain rights of the Mortgagee rank after those of the CPF Board.

If CPF Funds were withdrawn by the Mortgagor in connection with a Property, the proceeds from any sale (or compulsory acquisition) of such Property will, under the present regime, have to be applied towards repayment of the Mortgagee (being SCBSL or, as the case may be, the Covered Bond Guarantor) and the CPF Board in the order of priority more particularly described in the section "*Regulation/Legal Aspects of the Singapore Residential Mortgage Market – CPF Board*". The Mortgagee's right to repayment in respect of principal and any interest accruing on a CPF Loan up to the date of default under that CPF Loan will rank ahead of the right of the CPF Board to recover such CPF Funds withdrawn from the Mortgagor's Central Provident Fund ("CPF") account(s). However, any interest accrued on that CPF Loan on and from the date of default by the Mortgagor and certain non-sale related costs (including, but not limited to, costs incurred in the payment of insurance premiums in the event that the Mortgagor fails to pay) and expenses which the Mortgagee is entitled to receive under the Mortgage will only be paid to the Mortgagee after the refund of the withdrawn CPF Funds is made to the Mortgagor's CPF account(s).

The CPF Board and other creditors/third parties have a statutory preference in priority to the Mortgage in certain circumstances.

A Mortgagor may, *inter alia*, finance or refinance the purchase of a Property or repay his housing loan taken up for the purchase of such Property using the funds in his CPF account(s). When such funds are withdrawn, a charge in favour of the CPF Board to secure the repayment by the Mortgagor of such withdrawn funds (together with interest that would have accrued if the withdrawal had not been made) will be registered against the title of the Property, ranking in priority to any Mortgage. Under the Central Provident Fund Act 1953 of Singapore (the "**CPF Act**"), upon registration of the charge, the CPF Board has the power of sale and all other powers relating or incidental thereto as if it is a registered mortgagee. Notwithstanding CPF Board's prior ranking charge, the proceeds from the realisation of the Property will be applied in accordance with the priority of payments (see "*Regulation/Legal Aspects of the Singapore Residential Mortgage Market – CPF Board*").

Further, charges on land under any written law or regulations may have priority over a Mortgage, including charges in favour of the statutory authorities in respect of any money owing to such statutory authorities, and charges in favour of the management corporation (where the Property is a strata sub-divided unit) (see "*Regulation/Legal Aspects of the Singapore Residential Mortgage Market – Other Statutory Charges, Property Tax and Estate Duty*").

For example, where there are arrears in the payment of property tax, the tax authority has the power to recover such arrears in full by selling the Property in respect of which arrears are due. The proceeds of sale may be applied by the tax authority towards the payment of such arrears, the interest thereon at such rate as the tax authority may prescribe and all costs and expenses incurred in the recovery of such arrears, before paying to any other person who has a right to such proceeds. In the case where there are arrears in the payment of estate duty, proceedings may be instituted for recovery of such estate duty by, *inter alia*, the sale of such Property.

Similarly, for a Property which is a strata sub-divided unit within a development where the owner is obliged to contribute towards the maintenance and sinking funds of the development, the management corporation has the power to sue the owner or a mortgagee in possession for any arrears in contributions and may lodge an instrument of charge against the Property. Upon registration of such instrument of charge, the charge will secure *inter alia* all the outstanding amounts owing to the management corporation (including interest thereon) and all legal costs and expenses incurred by the management corporation in connection with its collection of such unpaid amount, and the management corporation has the power of sale and all other powers over the relevant property as if it is a registered mortgagee. Notwithstanding that the charge in favour of the management corporation may be registered subsequent to a Mortgage, under the Building (Strata Management) Act 2004 such charge cannot be over-reached by the prior registered mortgagee's

exercise of its power of sale under the Mortgage and the charge will continue to be in force until all amounts secured by the charge have been paid.

If the value of the Portfolio has not been maintained in accordance with the terms of the Asset Coverage Test and, if applicable, the Amortisation Test, then that may affect the realisable value of the Portfolio.

The Asset Coverage Test is met if the Adjusted Aggregate Loan Amount is at least equal to the SGD Equivalent of the aggregate outstanding nominal amount of the Covered Bonds as calculated on the relevant Calculation Date. If a breach of the Asset Coverage Test occurs as of the relevant Calculation Date immediately preceding the relevant Test Date (as tested on the relevant Test Date) and is not cured as of the following Calculation Date, the Bond Trustee (subject to the Bond Trustee having express notice of the same) will serve an Asset Coverage Test Breach Notice on the Covered Bond Guarantor which (unless and until it is revoked) may result, *inter alia*, in the sale of Selected Loans (see "*Summary of the Principal Documents – Establishment Deed – Sale of Selected Loans following service of an Asset Coverage Test Breach Notice*"). If an Asset Coverage Test Breach Notice has been served and is not revoked on or before the first Test Date immediately succeeding service of such Asset Coverage Test Breach Notice on the Covered Bond Guarantor, then an Issuer Event of Default shall occur and the Bond Trustee shall be entitled (and, in certain circumstances, may be required) to serve an Issuer Acceleration Notice on the Issuer. Following service of an Issuer Acceleration Notice, the Bond Trustee must forthwith serve a Notice to Pay on the Covered Bond Guarantor.

Pursuant to the Establishment Deed, following service of a Notice to Pay on the Covered Bond Guarantor (but prior to service of a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor), the Amortisation Test will be satisfied if the Amortisation Test Aggregate Loan Amount is in an amount at least equal to the SGD Equivalent of the aggregate outstanding nominal amount of the Covered Bonds as of each Calculation Date. The Amortisation Test is intended to test whether the assets of the Covered Bond Guarantor fall below a certain threshold, and therefore whether the assets of the Covered Bond Guarantor are sufficient to meet its obligations under the Covered Bond Guarantee and senior expenses that rank in priority to or *pari passu* with amounts due on the Covered Bonds.

If the value of the Portfolio has not been maintained in accordance with the terms of the Asset Coverage Test and, if applicable, the Amortisation Test, then that may affect the realisable value of the Portfolio or any part thereof (both before and after the occurrence of a Covered Bond Guarantor Event of Default) and/or the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee. For a further discussion of factors which may impact the ability of the Covered Bond Guarantor to make such payments, see further "*Limited resources are available to the Covered Bond Guarantor to make payments due under the Covered Bond Guarantee.*" and "*There is no guarantee that the proceeds of realisation of the Charged Property following the occurrence of a Covered Bond Guarantor Event of Default will be in an amount sufficient to repay all amounts due to the Secured Creditors.*".

Prior to service of a Notice to Pay or a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor, the Asset Monitor will, subject to receipt of the relevant information from the Cash Manager, test the arithmetic accuracy of the calculations performed by the Cash Manager in respect of the Asset Coverage Test. Following service of a Notice to Pay on the Covered Bond Guarantor (but prior to service of a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Asset Monitor will be required to test the arithmetic accuracy of the calculations performed by the Cash Manager in respect of the Amortisation Test. In addition, the Asset Monitor will be required to assess compliance by the Issuer with certain statutory obligations under MAS Notice 648. See "*Summary of the Principal Documents – Asset Monitor Agreement*".

Neither the Bond Trustee, the Security Trustee nor the Covered Bond Guarantor shall be responsible for monitoring compliance with the Asset Coverage Test, the Amortisation Test or any other test (including, for completeness, the Pre-Maturity Test), or for supervising the performance by any other party of its obligations under any Transaction Document.

There is no guarantee that sufficient cash would be generated on a sale of Selected Loans by the Covered Bond Guarantor following service of an Asset Coverage Test Breach Notice or a Notice to Pay.

If an Asset Coverage Test Breach Notice or a Notice to Pay is served on the Covered Bond Guarantor (and, in the case of an Asset Coverage Test Breach Notice, for as long as such notice has not been revoked), the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) or

the Cash Manager (on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) may offer to sell Selected Loans in order to remedy a breach of the Asset Coverage Test or to make payments to the Covered Bond Guarantor's creditors, including payments under the Covered Bond Guarantee, as appropriate, subject to (in respect of Selected Loans which are CPF Loans and their Related Security) the Requisite CPF Loan Legal Title Transfer Approvals being obtained. See the sections headed "*Summary of the Principal Documents – Establishment Deed – Sale of Selected Loans following service of an Asset Coverage Test Breach Notice*", "*Summary of the Principal Documents – Establishment Deed – Sale of Selected Loans following service of a Notice to Pay*" and "*Summary of the Principal Documents – Establishment Deed – Method of Sale of Selected Loans*".

There is no guarantee that:

- (i) (in respect of a Selected Loan which is a CPF Loan) the Requisite CPF Loan Legal Title Transfer Approval (if required) may be obtained (see the "*– The appointment of a Replacement Assets Trustee in respect of CPF Loans and their Related Security (and any related Top-up Loans) or the sale of Selected Loans (which are CPF Loans) to a Purchaser will require the prior consent of the CPF Board or an order of the court to implement*"); or
- (ii) (in respect of any Selected Loan) a buyer will be found to acquire Selected Loans at the times required and there can be no guarantee or assurance as to the price which the Covered Bond Guarantor may be able to obtain,

which may affect the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee.

In the event that the CBG Beneficiary and the Assets Trustee fail to obtain any one of the Requisite CPF Loan Legal Title Transfer Approvals, the Declaration of Assets Trust sets out certain provisions enabling the CBG Beneficiary to sell its beneficial interest in all or any selected CPF Loan(s) and its Related Security (and any related Top-up Loans) to a third party purchaser. There can be no guarantee or assurance as to the price which the Covered Bond Guarantor may be able to obtain, which may affect the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee.

Similarly, if a Notice to Pay has been served, the Selected Loans may not be sold by the Covered Bond Guarantor for less than an amount equal to the Adjusted Required Redemption Amount for the relevant Series of Covered Bonds until six months prior to the Maturity Date in respect of such Covered Bonds or (if the same is specified as applicable in the applicable Pricing Supplement) the Extended Due for Payment Date in respect of such Covered Bonds. In the six months prior to, as applicable, the Maturity Date or Extended Due for Payment Date, the Covered Bond Guarantor may sell the Selected Loans for the best price reasonably available, notwithstanding that such price may be less than the Adjusted Required Redemption Amount. In this respect investors should note that there is not, at present, an active and liquid secondary market for secured residential mortgage loans in Singapore (or beneficial interests in respect thereof), which may impact the price at which the Covered Bond Guarantor is able to sell the Selected Loans.

There is no guarantee that sufficient cash would be generated on a sale of Selected Loans by the Covered Bond Guarantor prior to maturity of Hard Bullet Covered Bonds where there is a breach of the Pre-Maturity Test.

If there is a breach of the Pre-Maturity Test in respect of a Series of Hard Bullet Covered Bonds prior to service of a Notice to Pay on the Covered Bond Guarantor, the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) or the Cash Manager (on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) may (unless the Intercompany Loan Provider makes sufficient Advances under the Intercompany Loan Agreement or the Subordinated Loan Provider chooses to make sufficient Subordinated Advances under the Subordinated Loan Agreement or there are sufficient Available Principal Receipts) offer to sell Selected Loans to seek to generate sufficient cash to enable the Covered Bond Guarantor to pay the Final Redemption Amount on any Series of Hard Bullet Covered Bonds, should the Issuer fail to pay such amounts. See "*Summary of the Principal Documents – Establishment Deed – Sale of Selected Loans following a breach of the Pre-Maturity Test*".

There is no guarantee that a buyer will be found to acquire Selected Loans at the times required and there can be no guarantee or assurance as to the price which the Covered Bond Guarantor may be able to obtain, which may affect payments under the Covered Bond Guarantee.

The transferee of legal title to the Loans and their Related Security may need to be licensed under the Moneylenders Act of Singapore and there is no guarantee that such transferee will be available at a time when legal title needs to be passed.

In the event legal title to any of the Loans and their Related Security are to be transferred to the Replacement Assets Trustee, a Purchaser or a Relevant Purchaser, the transferee which becomes the lender of record may need to satisfy the relevant licensing requirements under the Moneylenders Act or be exempted from such licensing requirements. The ability of the Seller or, as the case may be, the Assets Trustee to transfer the legal title to the Loans and their Related Security is dependent on various factors, including whether the transferee satisfies such licensing requirements or is exempted therefrom, and there is no guarantee that such suitable transferee would be readily available at the time legal title to the Loans and their Related Security needs to be transferred, and this may adversely affect the interests of the Covered Bondholders.

The appointment of a Replacement Assets Trustee in respect of CPF Loans and their Related Security (and any related Top-up Loans) or the sale of Selected Loans (which are CPF Loans) to a Purchaser will require the prior consent of the CPF Board or an order of the court to implement.

In the event a Replacement Assets Trustee is to be appointed in respect of CPF Loans and their Related Security (and any related Top-up Loans) following the occurrence of a Replacement Assets Trustee Event or in the event of a sale of Selected Loans (which are CPF Loans) to a Purchaser, a transfer of legal title in respect of such CPF Loans and their Related Security (and any related Top-up Loans) to such Replacement Assets Trustee or a Purchaser requires the Requisite CPF Loan Legal Title Transfer Approvals (as defined in section "Summary of the Principal Documents – Declarations of Assets Trust – Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee") (unless the consent of the CPF Board to the transfer of the Mortgages relating to CPF Loans is not required in order for the transferee of such Mortgages to be accorded the priority of payments over the CPF Board in relation to the application of any proceeds from the realisation of the relevant Property). Prior to the Requisite CPF Loan Legal Title Transfer Approvals being obtained and unless the consent of the CPF Board to the transfer of Mortgages relating to CPF Loans is not required, the CBG Beneficiary and the Assets Trustee shall use reasonable endeavours to concurrently seek all of the Requisite CPF Loan Legal Title Transfer Approvals necessary to effect such transfer, which are (in summary):

- (i) where the proposed transferee is an entity licensed to carry on banking business in Singapore, obtaining a Section 55B/C Court Order approving the transfer of that part of the Assets Trustee's banking business that comprises legal title to such CPF Loans (without any requirement to obtain prior consent from the CPF Board prior to implementing such court-sanctioned Section 55B/C Transfer);
- (ii) (whether or not the proposed transferee is an entity licensed to carry on banking business in Singapore) the prior consent from the CPF Board to effect such transfer of the Mortgages relating to such CPF Loans; and
- (iii) where the proposed transferee is not an entity licensed to carry on banking business in Singapore;
 - (a) a Sections 210/212 Court Order approving a Sections 210/212 Scheme; and
 - (b) the prior consent from the CPF Board to such transfer of the Mortgages relating to such CPF Loans,

Section 55B/C Court Order, Section 55B/C Transfer, Sections 210/212 Court Order are each defined and more particularly described in the section "Summary of the Principal Documents – Declaration of Assets Trust – Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee".

Whilst the CBG Beneficiary and the Assets Trustee are under an obligation to use reasonable endeavours to concurrently seek all of the Requisite CPF Loan Legal Title Transfer Approvals necessary to effect such transfer until any one of the Requisite CPF Loan Legal Title Transfer Approvals is obtained, there is no guarantee that any such approval would be obtained and the timeframe within which any such approval will be received is also not certain.

Sale of beneficial interest

In the event that the CBG Beneficiary and the Assets Trustee fail to obtain any one of the Requisite CPF Loan Legal Title Transfer Approvals in respect of a proposed transfer of the legal title to all or any selected CPF Loan(s) and its Related Security (and any related Top-up Loans) to a Relevant Purchaser, the Declaration of Assets Trust sets out certain provisions for the CBG Beneficiary to assign absolutely its beneficial interest in all or any selected CPF Loan(s) and its Related Security (and any related Top-up Loans) to a third party purchaser. Each such assignee shall have all rights and remedies in relation to such selected CPF Loan(s) and its Related Security (and any related Top-up Loans) under the Assets Trust which are beneficially owned by it (including, but not limited to, the right to sell its beneficial interest to such other party as it may select).

The Assets Trustee or, as the case may be, the Replacement Assets Trustee, shall at all times segregate and keep separately identifiable the CPF Loans and their Related Security (and any related Top-up Loans) held by the CBG Beneficiary and any such assignees to the extent of each of their respective beneficial interests in the CPF Loan(s) and Related Security (and any related Top-up Loans) under the Assets Trust.

Section 55B/C Transfer

A Section 55B/C Transfer procedure may be undertaken by SCBSL itself (in its capacity as Assets Trustee) or, be effected by the CBG Beneficiary acting in the name of SCBSL as the Assets Trustee under the Assets Trustee Power of Attorney (including in a post-insolvency situation of SCBSL) after the occurrence of any Replacement Assets Trustee Event (see "*Summary of the Principal Documents – Declaration of Assets Trust – Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee*").

Third parties who may have an interest in the Trust Assets (including the CPF Loans and their Related Security (and any related Top-up Loans)) such as the MAS, the CPF Board, the relevant Borrowers and/or the relevant Mortgagors of the CPF Loans, may be entitled to file objections and supporting evidence thereof in advance of the relevant Section 55B/C Transfer decision hearing by the General Division of the High Court of Singapore.

Sections 55B and 55C of the Banking Act 1970 of Singapore (the "**Banking Act**") have previously been used to effect a transfer of businesses between banks (see "*Summary of the Principal Documents – Declaration of Assets Trust – Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee – Section 55B of the Banking Act*"), although there is no precedent for the use of a Section 55B/C Transfer in relation to covered bonds. Nonetheless, it would be possible to obviate the requirement to seek the prior consent of the CPF Board to such transfer by the General Division of the High Court of Singapore granting an order to that effect pursuant to Sections 55B and 55C of the Banking Act for a transfer to the Replacement Assets Trustee or a Purchaser of the legal title to the CPF Loans and their Related Security (and any related Top-up Loans) under the Assets Trust. Such powers of the General Division of the High Court of Singapore in relation to Sections 55B and 55C of the Banking Act are broad enough to (a) enable the General Division of the High Court of Singapore (if it is prepared to) to grant an order which would entitle the Replacement Assets Trustee to the same rights and priorities as the Assets Trustee would have been entitled to in relation to the CPF Loans and their Related Security (and any related Top-up Loans) if the transfer had not taken place, and (b) enable a transfer to be made in the absence of the consent of the CPF Board.

While a Section 55B/C Transfer provides a credible solution to obviate the need to obtain the consent of the CPF Board for the transfer of the Mortgages related to the CPF Loans, the following should, however, be noted:

- (i) although Sections 55B and 55C of the Banking Act have previously been used in Singapore to effect a transfer of businesses between banks, there is no precedent for the use of a Section 55B/C Transfer in relation to covered bonds;
- (ii) there is no guarantee that the consent of the Minister (who is charged by the Prime Minister of Singapore with responsibility for banking matters) or certification that his consent is not required will be given; and
- (iii) there is no guarantee that the requisite court order will be granted.

Consent of the CPF Board

The prior consent of the CPF Board may be sought for the transfer of the Mortgages related to the CPF Loans to a proposed transferee of a CPF Loan (whether or not such transferee is an entity licensed to carry on a banking business in Singapore). In deciding whether to consent to such a transfer, the CPF Board may consider the following factors. First, there are statutory provisions that facilitate the transfer from the Assets Trustee to the Replacement Assets Trustee of the legal title to the CPF Loans and their Related Security (and any related Top-up Loans) under the Assets Trust. Section 41 of the Trustees Act 1967 of Singapore (the "**Trustees Act**") provides, generally, for vesting of trust property in new or continuing trustees appointed by deed. Section 41 of the Trustees Act, however, does not obviate the need for the CPF Board's consent. Second, where the Replacement Assets Trustee or the Purchaser is a financial institution, the CPF Board may consider that the Replacement Assets Trustee or such Purchaser has the ability to manage the CPF Loans and their Related Security (and any related Top-up Loans), which may be preferable to the management of the CPF Loans and their Related Security (and any related Top-up Loans) by the Seller which is in a distressed situation (such as following an Insolvency Event). There is, however, no guarantee that the CPF Board will approve such transfer.

Sections 210/212 Scheme

The proposed transferee (that is a Singapore-incorporated company) under a Sections 210/212 Scheme does not need to be an entity licensed to carry on a banking business in Singapore (though it may need to satisfy the relevant licensing requirements under the Moneylenders Act or be exempt from such licensing requirements (see the risk factor headed "*– The transferee of legal title to the Loans and their Related Security may need to be licensed under the Moneylenders Act of Singapore and there is no guarantee that such transferee will be available at a time when legal title needs to be passed*"). A Sections 210/212 Scheme may not obviate the contractual requirement to obtain the CPF Board's consent to the transfer of Mortgages related to any CPF Loans held under the Assets Trust, and hence (following the procurement of the requisite court and other approvals to the Sections 210/212 Scheme) consent from the CPF Board to its implementation will also need to be obtained. A Sections 210/212 Scheme procedure may be undertaken by SCBSL itself (in its capacity as Assets Trustee) or, be effected by the CBG Beneficiary acting in the name of SCBSL as the Assets Trustee under the Assets Trustee Power of Attorney (including in a post-insolvency situation of SCBSL) after the occurrence of any Replacement Assets Trustee Event (see "*Summary of the Principal Documents – Declaration of Assets Trust – Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee*").

Whether an order will be made approving the Sections 210/212 Scheme will depend on the circumstances of the case and there is no guarantee that such an order will be made. In broad terms, the requirements for a Sections 210/212 Scheme are:

- (i) obtaining the consent of the Minister (who is charged by the Prime Minister of Singapore with responsibility for banking matters) or certification that his consent is not required;
- (ii) obtaining a court order (by a summary application) to summon a meeting of the Covered Bondholders;
- (iii) obtaining the approval of a requisite majority of Covered Bondholders voting (a majority in number representing three-fourths (75%) in value of the outstanding nominal amount of all Covered Bonds) voting at the meeting either in person or by proxy, **provided, however, that** this requirement for a majority in number may be obviated if the court so orders; and
- (iv) based on the Covered Bondholder approval above, obtaining a Sections 210/212 Court Order. In considering whether to approve the scheme, the court is likely to consider, *inter alia*, (a) whether the scheme is fair and reasonable to the Covered Bondholders as a whole, (b) whether the applicant (SCBSL or the CBG Beneficiary acting under the Assets Trustee Power of Attorney) and the majority Covered Bondholders who granted their approval to the scheme are acting *bona fide*, and (c) whether the minority of Covered Bondholders are being coerced to promote the interest of the majority Covered Bondholders who granted their approval to the scheme.

There is no guarantee that (a) the consent of the Minister (who is charged by the Prime Minister of Singapore with responsibility for banking matters) or certification that his consent is not required will be given, (b) the relevant voting thresholds will be met, (c) the General Division of the High Court of

Singapore will approve such Sections 210/212 Scheme and (d) the consent of the CPF Board will be forthcoming. Although Sections 210 (and 212) of the Companies Act have previously been used to effect a transfer of businesses (see "*Summary of the Principal Documents – Declaration of Assets Trust – Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee – Sections 210 (and 212) of the Companies Act*"), there is no precedent for the use of a Sections 210/212 Scheme in relation to covered bonds.

If the Requisite CPF Loan Legal Title Transfer Approvals cannot be obtained, it may not be possible to liquidate or realise the CPF Loans and their Related Security (and any related Top-up Loans) to enable the CBG Beneficiary to meet its maturing obligations under the Covered Bond Guarantee. In such circumstances, the Covered Bond Guarantor (i) will rely on receiving interest, principal and other receipts under such CPF Loans and then apply these under the Covered Bond Guarantee which may result in a delay in making scheduled payments and repayments to the Covered Bondholders and (ii) could seek to carry out a sale of its beneficial interest in all or any selected CPF Loan(s) and its Related Security (and any related Top-up Loans) to a third party purchaser (see "*Risk Factors – Risks Relating to the Covered Bond Guarantor – The appointment of a Replacement Assets Trustee in respect of CPF Loans and their Related Security (and any related Top-up Loans) or the sale of Selected Loans (which are CPF Loans) to a Purchaser will require the prior consent of the CPF Board or an order of the court to implement – Sale of beneficial interest*"). A delay in obtaining one of the Requisite CPF Loan Legal Title Transfer Approvals could result in a deterioration of the realisable value of the Portfolio.

Certain factors may affect the realisable value of the Portfolio or any part thereof or the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee.

The Asset Coverage Test, the Amortisation Test and the Eligibility Criteria are intended to ensure that there will be an adequate amount of Loans in the Portfolio and monies standing to the credit of the Transaction Account to enable the Covered Bond Guarantor to repay the Covered Bonds following an Issuer Event of Default, service of an Issuer Acceleration Notice on the Issuer and service of a Notice to Pay on the Covered Bond Guarantor. However, whilst it is expected that Selected Loans could be realised for sufficient value to enable the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee, there is no assurance that this will be the case and it should be noted that the realisable value of Selected Loans comprised in the Portfolio may be reduced at any time due to various factors, including:

- (i) representations or warranties not being given by the Covered Bond Guarantor or (unless otherwise agreed with the Seller) the Seller;
- (ii) default by Borrowers and/or Mortgagors of amounts due on their Loans;
- (iii) changes to the Lending Criteria or Seller's Policy;
- (iv) the Seller not having legal title to the Loans and their Related Security in the Portfolio prior to any transfer of title to the Loans and their Related Security to the Covered Bond Guarantor;
- (v) the state of the Singapore economy and/or residential property market (which may impact potential buyers);
- (vi) risks in relation to some types of Loans which may adversely affect the value of the Portfolio or any part thereof;
- (vii) (in respect of a Property subject to compulsory acquisition by the State (see "*Regulation/ Legal Aspects of the Singapore Residential Mortgage Market – Land Acquisition Act*")) any proceeds awarded for the compulsory acquisition of a relevant Property being insufficient to discharge the relevant Loan;
- (viii) limited recourse to the Seller;
- (ix) the presence of other secured liabilities relating to the All Monies Trust;
- (x) possible regulatory changes by the MAS and other regulatory authorities; and

- (xi) regulations or other issues in Singapore that could lead to some terms of the Loans being unenforceable, such as the Banking Act, the Banking Regulations of Singapore (the "**Banking Regulations**"), and notices and directives issued under the Banking Act by the MAS.

Any of these factors could be caused or exacerbated by other factors including, for example, those factors described further in "*– Terrorist activities, natural calamities and outbreak of communicable diseases around the world could lead to higher volatility in international capital markets, which may materially and adversely affect the SCBSL Group's business, financial condition and results of operations*". If there is deterioration in the realisable value of the Portfolio so that Selected Loans cannot be realised for sufficient values to enable the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee, the holders of the Covered Bonds may be adversely affected.

No representations or warranties will be given by the Covered Bond Guarantor or the Seller on a sale of Selected Loans.

Following the service of an Asset Coverage Test Breach Notice (which has not been revoked) or the service of a Notice to Pay on the Covered Bond Guarantor (but in each case prior to the service of a Covered Bond Guarantor Acceleration Notice and/or the commencement of winding-up proceedings against the Covered Bond Guarantor and/or realisation of the Security), the Covered Bond Guarantor will be obliged to sell Selected Loans to third party purchasers, subject to a right of pre-emption in favour of the Seller pursuant to the terms of the Mortgage Sale Agreement and/or the Declaration of Assets Trust (see "*Summary of the Principal Documents – Establishment Deed – Method of Sale of Selected Loans*"). In respect of any sale of Selected Loans to third parties, however, the Covered Bond Guarantor will not give warranties or indemnities in respect of those Selected Loans. The Security Trustee will not be required to release the Selected Loans from the Security unless the conditions relating to release of the Security as set out in the Deeds of Charge are satisfied. There is no assurance that the Seller would give any warranties or representations in respect of the Selected Loans. Any Representations or Warranties previously given by the Seller in respect of the Loans in the Portfolio may not have value for a third-party purchaser if the Seller is then insolvent. Accordingly, there is a risk that the realisable value of the Selected Loans could be adversely affected by the lack of representations and warranties which in turn could adversely affect the ability of the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee.

Failure to manage retail credit risk in the Issuer's mortgage operations may adversely impact profitability.

Retail credit risk is present in SCBSL's mortgage operations and represents the potential inability of a mortgage borrower to repay their mortgage. In particular, an inability to repay may result in the repossession of the borrower's property, SCBSL will be exposed to the credit risk of the relevant property and a subsequent loss if the value of the property upon sale is insufficient to pay the mortgage balance in full. A failure of SCBSL to effectively manage retail credit risk could lead to an increased incidence of retail credit losses, which could impact on the profitability of the Issuer and its ability to meet obligations under the Covered Bonds as they fall due.

Borrowers and/or Mortgagors may default on their obligations due under the Loans. Defaults may occur for a variety of reasons. The Loans are affected by credit, liquidity and interest rate risks. Various factors influence mortgage delinquency rates, prepayment rates, repossession frequency and the ultimate payment of interest and principal. Examples of such factors include changes in the national or international economic climate, regional economic (due to local, national and/or global macroeconomic and geopolitical factors such as the Russia-Ukraine conflict or the Israel-Hamas conflict) or housing conditions, tax laws, interest rates, inflation, cost of living, energy prices, the availability of financing, yields on alternative investments, political developments and government policies, natural disasters and widespread health crises or the fear of such crises (such as coronavirus (including Covid-19), measles, SARS, Ebola or other epidemic diseases). Other factors in the Borrowers' and the Mortgagors' individual, personal or financial circumstances may affect the ability of Borrowers or the Mortgagors to repay the Loans. Loss of earnings, illness, divorce and other similar factors may lead to an increase in delinquencies by and bankruptcies of Borrowers or Mortgagors and could ultimately have an adverse impact on the ability of Borrowers or Mortgagors to repay the Loans. In addition, the ability of a Mortgagor to sell a property given as security for a Loan at a price sufficient to repay the amounts outstanding under that Loan will depend upon a number of factors, including the availability of buyers for that property, the value of that property and property values in general at the time.

The Principal Balance of any Defaulted Loans in the Portfolio will be given a zero weighting for the purposes of a calculation of the Asset Coverage Test and the Amortisation Test.

The geographic concentration of the Loans may exacerbate the effect of changes to Singapore's economic conditions and housing markets.

To the extent that Singapore's economic conditions and housing markets may be affected by domestic and international economic events, political events, natural disasters or by movements and events that occur in global financial markets, the effect of such events on Singapore's economic conditions and housing markets may be exacerbated due to the fact that the Loans and their Related Security are located in a single geographic market. The Covered Bond Guarantor can predict neither when nor where such events may occur nor to what extent and for how long such conditions may continue but if the timing and payment of the Loans in the Portfolio is adversely affected as described above, the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee could be reduced or delayed.

There is a risk that consumers may be able to bring an action under consumer protection legislation in Singapore.

Consumer protection legislation in Singapore is set out under three main statutes: the Unfair Contracts Terms Act 1977 of Singapore (the "UCTA"), the Misrepresentation Act 1967 of Singapore (the "Misrepresentation Act") and the Consumer Protection (Fair Trading) Act 2003 of Singapore (the "CPFTA"). The application of such consumer protection legislation may have an impact on the loans in the Portfolio.

The UCTA prohibits a supplier that is contracting with a counterparty who is dealing as a consumer or on the supplier's written standard terms of business from, by reference to a contract term:

- (i) excluding or restricting its liability for breach of contract; or
- (ii) claiming to be entitled:
 - (a) to render a contractual performance substantially different from that which was reasonably expected of it; or
 - (b) in respect of the whole or any part of its contractual obligation, to render no performance at all,

unless, in each case, the contract term satisfies the requirement of reasonableness (that is, the contract term must have been a fair and reasonable one to be included having regard to the circumstances which were, or ought reasonably to have been, known to or in the contemplation of the parties when the contract was made). Similarly, contract terms requiring the consumer to indemnify the supplier in respect of liability incurred by the supplier's negligence or breach of contract are also prohibited unless they satisfy the requirement of reasonableness.

The UCTA also provides that a person cannot exclude or restrict his liability for negligence except insofar as the term satisfies the requirement of reasonableness. This requirement applies regardless of whether or not parties are contracting as consumers or suppliers.

The Misrepresentation Act applies this requirement of "reasonableness" to terms which would exclude or restrict any liability to which a party to a contract may be subject by reason of any misrepresentation made by him before the contract was made, or any remedy available to another party to the contract by reason of such a misrepresentation.

Accordingly, there is a risk that a consumer may be able to challenge a term in the loan documentation (including terms relating to interest rates) on the basis that it does not pass the "reasonableness test" under the UCTA or the Misrepresentation Act and is therefore not binding on the consumer. In this case, the contract should still continue to bind the consumer if it is capable of continuing in existence without the unfair term.

The CPFTA (which applies to transactions involving financial services from 15 April 2009) prohibits "unfair practices". "Unfair practices" means, for a supplier in relation to a consumer transaction:

- (i) doing or saying anything, or omitting to do or say anything, if as a result a consumer might reasonably be deceived or misled;
- (ii) making a false claim;
- (iii) taking advantage of a consumer if the supplier knows or ought reasonably to know that the consumer is not in a position to protect his own interests or is not reasonably able to understand the character, nature, language or effect of the transaction or any matter related to the transaction; or
- (iv) without limiting the generality of paragraphs (i) to (iii) above to do anything specified in the Second Schedule of the CPFTA – in particular, taking advantage of a consumer by including in an agreement terms or conditions that are harsh, oppressive or excessively one-sided so as to be unconscionable may be considered an unfair practice.

A consumer who has entered a consumer transaction involving an unfair practice may commence an action against the supplier under the CPFTA for a claim of up to SGD 30,000. This may potentially include challenges to interest rates. Singapore courts may order restitution of any money, property or other consideration given or furnished by the consumer, award the consumer damages in the amount of any loss or damage suffered by the consumer as a result of the unfair practice, make an order of specific performance against the supplier or make an order varying the contract between the supplier and the consumer.

Accordingly, there is a risk that a consumer may be able to bring an action against SCBSL as the provider of the Loan, or (in the case of Non-CPF Loans) where title has passed to the Covered Bond Guarantor, against the Covered Bond Guarantor. Apart from the consumer having a claim in damages, it is also open to Singapore courts to vary the loan contract, which may have an impact on other terms under the loan.

If any of the risks highlighted above were to occur, then the realisable value of the Portfolio or any part thereof and/or the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee may be affected.

The Lending Criteria may be revised by the Seller.

Each of the Loans originated by the Seller will have been originated in accordance with its Lending Criteria at the time of origination. It is expected that the Seller's Lending Criteria will generally consider type of property, term of loan, age of applicant, the loan-to-value ("LTV") ratio, status of applicant and credit history. In the event of the sale of any Non-CPF Loans and their Related Security to the Covered Bond Guarantor or the declaration of trust over any CPF Loans and their Related Security in favour of the CBG Beneficiary, the Seller will warrant only that such Loans and their Related Security were originated in accordance with the Seller's Lending Criteria applicable at the time of origination. The Seller retains the right to revise its Lending Criteria from time to time. If the Lending Criteria change in a manner that affects the creditworthiness of the Loans, that may lead to increased defaults by Borrowers and/or the Mortgagors and may affect the realisable value of the Portfolio, or part thereof, and the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee. As noted above, however, Defaulted Loans in the Portfolio will be given a zero weighting for the purposes of the calculation of the Asset Coverage Test and the Amortisation Test.

The Covered Bond Guarantor does not have legal title to the Loans and their Related Security in the Portfolio on the relevant Closing Date.

In respect of Non-CPF Loans and their Related Security, on the relevant Closing Date, the sale by the Seller to the Covered Bond Guarantor of Non-CPF Loans and their Related Security has taken or will take effect by way of an equitable assignment and legal title to the Non-CPF Loans and each of their Related Security will remain with the Seller. Transfer of the legal title to the Non-CPF Loans and their Related Security to the Covered Bond Guarantor would only occur in the limited circumstances described in "Summary of the Principal Documents – Mortgage Sale Agreement – Transfer of title to the Non-CPF Loans to the Covered Bond Guarantor or a Purchaser" and until such right arises the Covered Bond Guarantor will not give notice of the sale of the Non-CPF Loans and their Related Security to any Borrower, Mortgagor, surety,

guarantor or relevant counterparty or lodge or register caveats/instruments with the Land Registry in respect of its equitable interest in the Non-CPF Loans and their Related Security.

In respect of CPF Loans and their Related Security, on the relevant Closing Date, the Assets Trustee will declare and/or include in a trust over all of the Seller's present and future rights, estate, title, interests, benefits and remedies in and to the CPF Loans and their Related Security in favour of the CBG Beneficiary. Transfer of the legal title to the CPF Loans and their Related Security to a Replacement Assets Trustee would only occur in the limited circumstances following the occurrence of a Replacement Assets Trustee Event (see "*Summary of the Principal Documents – Declaration of Assets Trust – Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee*"). The CBG Beneficiary has covenanted in the Singapore Deed of Charge that it shall not call, request or act in any manner to transfer legal title in any of the Trust Assets from the Assets Trustee to itself without the prior written consent of the Security Trustee. The Security Trustee has covenanted in the Singapore Deed of Charge that it shall not consent to any such transfer of legal title in the Trust Assets to the CBG Beneficiary in any circumstances.

Since the Covered Bond Guarantor has not obtained legal title to the Loans or their Related Security and has not protected its interest in the Loans and their Related Security by notifying any Borrower, Mortgagor, surety, guarantor or relevant counterparty nor lodging/registering any caveat or instrument with the Land Registry or otherwise perfected its legal title to the Loans or their Related Security, the following risks exist:

- (i) *first*, if the Seller wrongly sells a Loan and its Related Security (whether a CPF Loan or a Non-CPF Loan), which has already been sold to the Covered Bond Guarantor, to another person, then such person might obtain good title to the Loan and its Related Security, free from the interests of the Covered Bond Guarantor. If this occurred, then the Covered Bond Guarantor would not have good title to the affected Loan and its Related Security and it would not be entitled to payments by a Borrower or Mortgagor in respect of that Loan. However, the risk of third party claims obtaining priority to the interests of the Covered Bond Guarantor would be likely to be limited to circumstances arising from a breach by the Seller of its contractual obligations or fraud, negligence or mistake on the part of the Seller or the Covered Bond Guarantor or their respective personnel or agents;
- (ii) *second*, the rights of the Covered Bond Guarantor (in respect of either the CPF Loans and/or the Non-CPF Loans) may be subject to the rights of the Borrowers and/or the Mortgagors against the Seller, such as rights of set-off, which occur in relation to transactions or deposits made between Borrowers, Mortgagors or other security providers on the one hand and the Seller on the other, and the rights of Borrowers and/or Mortgagors to redeem the Mortgages by repaying the Loans directly to the Seller;
- (iii) *third*, unless the Covered Bond Guarantor has perfected the assignment of the Non-CPF Loans and their Related Security (which it is only entitled to do in certain limited circumstances), the Covered Bond Guarantor would not be able to enforce any obligations of the Borrower, Mortgagor, surety, guarantor and/or any other relevant counterparty under a Non-CPF Loan or any of their Related Security (including the Mortgage itself) but would have to join the Seller as a party to any legal proceedings; and
- (iv) *fourth*, in the case of CPF Loans and their Related Security held under the Assets Trust, any action to enforce such CPF Loans and their Related Security will have to be taken through the Assets Trustee or in the name of the Assets Trustee (see "*Summary of the Principal Documents – Declaration of Assets Trust – Assets Trustee Power of Attorney*").

If any of the risks described above were to occur, then the realisable value of the Portfolio or any part thereof and/or the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee may be affected.

The transfer of legal title to any Loans and their Related Security to the Covered Bond Guarantor or a Replacement Assets Trustee (as applicable) will necessitate the giving of notice of the sale and transfer or assignment of the relevant Loans and their Related Security to the relevant Borrower, Mortgagor, surety, guarantor or other relevant counterparty (the "**Relevant Counterparties**"). In this regard, the Seller or the Assets Trustee (as applicable) has given certain undertakings for the benefit of the Covered Bond Guarantor or the CBG Beneficiary (as applicable) to effect such notice within 30 days of the occurrence of certain perfection events or, as the case may be, the appointment of a Replacement Assets Trustee ("*Summary of*

the Principal Documents — Mortgage Sale Agreement — Transfer of title to the Non-CPF Loans to the Covered Bond Guarantor or a Purchaser" and "Summary of the Principal Documents — Declaration of Assets Trust — Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee") and, in the event that the Seller fails to do so, the Covered Bond Guarantor may do so (acting in the name of Standard Chartered Bank (Singapore) Limited as Seller under the Seller Power of Attorney) and, in the event that the Assets Trustee fails to do so, the CBG Beneficiary may do so (acting in the name of Standard Chartered Bank (Singapore) Limited as Assets Trustee under the Assets Trustee Power of Attorney). In order to be able to give such notice, the Covered Bond Guarantor or the CBG Beneficiary (as applicable) may need certain customer information (including name and notice details) pertaining to each Relevant Counterparty. However, the terms and conditions of such Loans and their Related Security may not allow the Seller or the Assets Trustee (as applicable) to disclose such customer information to the Covered Bond Guarantor or the CBG Beneficiary (as applicable) in accordance with the applicable laws and regulations relating to disclosure of such customer information. In such circumstances, the Seller has undertaken to the CBG and the Assets Trustee to amend the terms and conditions of the relevant Loans and their Related Security to facilitate such disclosure, and the terms and conditions of the relevant Loans and their Related Security allow the Seller to make such amendments without requiring the consent of the Relevant Counterparties by giving notice to the Relevant Counterparties. To the extent that the Seller fails to implement such amendments, the Covered Bond Guarantor may do so (acting in the name of Standard Chartered Bank (Singapore) Limited under the Seller Power of Attorney) or the CBG Beneficiary may do so (acting in the name of Standard Chartered Bank (Singapore) Limited under the Assets Trustee Power of Attorney), including by giving notice to the Relevant Counterparties that such amendments will be made by publication in a newspaper of general circulation in Singapore or through any other channel that the Covered Bond Guarantor or the CBG Beneficiary (as applicable) may determine appropriate. Once such amendments have become effective, the Seller or the Assets Trustee (as applicable) will be entitled, and obliged, to deliver the relevant customer information to the Covered Bond Guarantor or the CBG Beneficiary (as applicable) for the purpose of the Covered Bond Guarantor or the CBG Beneficiary (as applicable) notifying the Relevant Counterparties of the sale and transfer or assignment of the relevant Loans and their Related Security. A delay in any of the foregoing will prolong the time required to transfer legal title to the Loans and their Related Security to the Covered Bond Guarantor or the Replacement Assets Trustee (as applicable) and therefore the period of time during which the Covered Bond Guarantor or the CBG Beneficiary (as applicable) are exposed to the risks referred to above.

Once notice has been given to the Borrowers, the Mortgagors, the sureties, the guarantors and the relevant counterparties of the assignment or transfer of the Loans and their Related Security to the Covered Bond Guarantor, the Replacement Assets Trustee or a Relevant Purchaser (as the case may be), independent set-off rights which a Borrower and/or a Mortgagor has against the Seller (such as, for example, set-off rights associated with Borrowers and/or Mortgagors holding deposits with the Seller) will crystallise and further rights of independent set-off would cease to accrue from that date and no new rights of independent set-off could be asserted following that notice. Set-off rights arising under "transaction set-off" (which are set-off claims arising out of a transaction connected with the Loan) will not be affected by that notice and will continue to exist. There is also uncertainty as to whether certain rights of set-off in relation to deposit accounts that a Borrower or Mortgagor may hold with the Seller would have to be first set off against the Loans, and in particular in the situation where a liquidator of the Issuer is or is to be appointed (see further *"Risk Factors – Risks Relating to the Covered Bond Guarantor – Set-off risk, including set-off risk arising under Section 62A of the Banking Act may adversely affect the value of the Portfolio or any part thereof"*).

Set-off risk, including set-off risk arising under Section 62A of the Banking Act may adversely affect the value of the Portfolio or any part thereof.

Section 62A of the Banking Act ("**Section 62A**") provides that despite any written law or rule of law relating to the winding-up of companies, in the event of the winding-up of a bank in Singapore, a liquidator must first set-off a depositor's liabilities to the bank against any deposit of the depositor placed with the bank that is accepted (a) in Singapore dollars; or (b) on terms under which the deposit may be repaid by the bank in Singapore dollars. As such, the amount owing by the depositor under the Loans could then be set-off against any deposit of the depositor placed with the bank, possibly reducing the amount recoverable under the Loans. This section is intended to protect depositors. Without such set-off, the depositor would have to pay the full extent of its liabilities to the bank and may possibly only receive a dividend or partial payment in respect of deposits of the depositor placed with the bank, in the case of insolvency of the Seller where a liquidator is appointed.

There has not been any failure of any major bank in Singapore in the history of modern Singapore. The scope of Section 62A has not been tested in the Singapore courts. It is likely that from the moment (in respect of Non-CPF Loans and their Related Security) notice of the sale and assignment or (in respect of CPF Loans and their Related Security (and any related Top-up Loans)) notice of the transfer to the Replacement Assets Trustee is given to the Borrowers and/or Mortgagees, and provided such notices are given sufficiently early and at a time when the Seller is a going concern and is able to pay its debts in the ordinary course of business as they fall due, that the liabilities of the Borrowers and/or the Mortgagees are then owed to the Covered Bond Guarantor (where the notice of the sale and assignment is concerned) or the Replacement Assets Trustee (where the notice of transfer is concerned) and not the Seller. On a literal reading of Section 62A, if such notice is given before a liquidator is appointed for the Seller, there would be no liabilities to the Seller to which Section 62A may apply. Hence, there would be no Section 62A set-off. If Section 62A does not apply, this may mean that Borrowers and/or Mortgagees may not have sufficient time to react, e.g. by transferring their deposits to another bank, and may well lose the benefit of Section 62A, the moment notice is given. At the minimum, it is likely that if the sale and assignment of the Non-CPF Loans and their Related Security, or the transfer of the legal title to the CPF Loans and their Related Security (and any related Top-up Loans) to the Replacement Assets Trustee happen prior to the insolvency of the Seller and the Borrowers and/or the Mortgagees are given notice of the sale and assignment well before any commencement of winding up of the Seller and appointment of a liquidator, the likelihood is that Singapore courts would uphold the sale and assignment and hold that set-off pursuant to Section 62A will not apply.

While the scope of Section 62A remains untested in the Singapore courts, it is likely that if the notice of assignment or notice of transfer is given to the Borrowers and/or the Mortgagees (i) well before the commencement of winding-up of the Seller or the appointment of any liquidator of the Seller, and (ii) when the Seller is a going concern and is able to pay its debts in the ordinary course of business as they fall due, a Singapore court may respect the sale and assignment of the Non-CPF Loans and their Related Security and the sale of and declaration of trust over the CPF Loans and their Related Security (and any related Top-up Loans) respectively, and hold that set-off pursuant to Section 62A will not apply. The property of the Covered Bond Guarantor and/or the Replacement Assets Trustee should not be utilised to meet the Seller's liabilities. It is possible that where the depositors have been given sufficiently early notice of assignment or notice of transfer, the depositors would have the means and opportunity to make necessary arrangements in relation to their deposits if there are any concerns relating to the insolvency of the Seller. There is no certainty that this is the position the Singapore courts will adopt and in any event, there has not been any definitive statement or indication to date as to what constitutes an acceptable interval between (in the case of Non-CPF Loans and their Related Security) the sale and assignment and (in the case of CPF Loans and their Related Security (and any related Top-up Loans)) the transfer of legal title under the Assets Trust, and the insolvency of the Seller, such that Section 62A will not apply.

As described above, the sale of Non-CPF Loans by the Seller to the Covered Bond Guarantor will be effected by an equitable assignment and in respect of CPF Loans and their Related Security (and any related Top-up Loans), a trust will be declared by the Assets Trustee in favour of the CBG Beneficiary. As a result, legal title to the Loans and their Related Security will remain with the Seller. Therefore, the rights of the Covered Bond Guarantor and the CBG Beneficiary may be subject to the direct rights of the Borrowers and/or the Mortgagees against the Seller, including rights of set-off which occur in relation to transactions or deposits made between the Borrowers and/or the Mortgagees and the Seller existing prior to notification to the Borrowers and/or Mortgagees of the assignment of the Loans and their Related Security (and any related Top-up Loans).

There may also be significant delays in transferring the legal title to the CPF Loans and their Related Security (and any related Top-up Loans) subject to the Assets Trust (see further *"Risk Factors – Risks Relating to the Covered Bond Guarantor – The appointment of a Replacement Assets Trustee in respect of CPF Loans and their Related Security (and any related Top-up Loans) or the sale of Selected Loans (which are CPF Loans) to a Purchaser will require the prior consent of the CPF Board or an order of the court to implement"*). There is no guarantee that the transfer of the legal title to the CPF Loans and their Related Security (and any related Top-up Loans) under the Assets Trust to the Replacement Assets Trustee will complete prior to the application of Section 62A.

The exercise of set-off rights by Borrowers and/or Mortgagees may adversely affect the realisable value of the Portfolio and/or the ability of the Covered Bond Guarantor to make payments under the Covered Bond Guarantee. The Asset Coverage Test has been structured to mitigate the potential set-off risk (although

there is no assurance that such risks will be accounted for) (see "*Summary of the Principal Documents – Establishment Deed – Asset Coverage Test*").

Delays may result from an insolvency or resolution of the Seller.

There has not been any failure of any major bank in Singapore in the history of modern Singapore, and there is no certainty or precedent as to how a major bank insolvency or resolution will be conducted or dealt with. Under various powers conferred on the MAS, the MAS may issue directions or orders that may, amongst other things, impact the running and management of a bank, including the Seller, for example by directing that there be a change of management. There are also insolvency procedures that may come into play when a bank becomes insolvent. In the case of insolvency of the Seller, an insolvency practitioner, e.g. a liquidator, could be appointed who would take over the management of the Seller.

The change of management or imposition of safeguards and other implications arising from resolution or insolvency proceedings of the Seller could delay actual recovery by the Covered Bond Guarantor from the Seller of the Loans and their Related Security that had been sold by the Seller to the Covered Bond Guarantor. For instance, if there is a need for Covered Bond Guarantor to sue the Seller to recover the Loans and their Related Security, there may be moratoriums which may prohibit the commencement of legal proceedings for obtaining a Section 55B/C Court Order or a Sections 210/212 Court Order until such moratoriums are lifted. Such moratoriums may be lifted with the permission of the court but securing such permission may take some time and cause some delays. Costs may also have to be incurred in respect of the procedures described above. Furthermore, the MAS may temporarily suspend termination rights for contracts due to resolution measures (or proposed resolution measures). This suspension cannot exceed two business days in length, but this can result in some delays.

Delays may result from an insolvency of the Covered Bond Guarantor.

Where the Covered Bond Guarantor is insolvent and undergoes certain insolvency procedures, there may be delays on the part of the Security Trustee to enforce security provided by the Covered Bond Guarantor. For one, there would be a moratorium against the enforcement of security once a judicial management application is made, and this moratorium may be extended if a judicial management order is made. Pursuant to section 91(8)(d) of the IRDA, read with the Prescribed Companies Order, a judicial management order shall not be made in relation to a covered bond special purpose vehicle or securitisation special purpose vehicle (i.e. the Covered Bond Guarantor). Under section 94(13) of the IRDA, an interim judicial manager or a judicial manager must not be appointed to the Covered Bond Guarantor (as a covered bond special purpose vehicle or securitisation special purpose vehicle) in a voluntary judicial management procedure either. However, the Court may nevertheless grant a judicial management order in relation to the Covered Bond Guarantor if it considers that the public interest so requires. If so, the moratoriums would apply. The permission of the court or the judicial manager would be required to lift the moratorium and this may result in delays in enforcement of security. In addition, there is also a moratorium against actions and proceedings which may apply in the case of judicial management, schemes of arrangement and/or winding up in relation to the Covered Bond Guarantor (there are wider moratoriums against the enforcement of security under sections 64 and 65 of the IRDA in relation to creditors' schemes of arrangement, though pursuant to section 63(3) of the IRDA, read with the Prescribed Companies Order, such moratoriums do not apply to the Covered Bond Guarantor as a covered bond special purpose vehicle or securitisation special purpose vehicle). This moratorium can be lifted with court permission and in the case of judicial management, with the permission of the judicial manager. Accordingly, if there is any need for the Security Trustee to sue the Covered Bond Guarantor in connection with the enforcement of the security, the need to obtain court permission may result in delays in being able to bring or continue legal proceedings that may be necessary in the process of recovery.

If a judicial manager is appointed, the judicial manager would be able to dispose of security that is the subject of a floating charge and with the permission of the court, security that is the subject of a fixed charge. The costs and expenses of judicial management rank ahead of the claims of the floating chargee.

The Security Trustee would have security in the form of fixed and floating charges over all the assets of the Covered Bond Guarantor and would be entitled to appoint a receiver and manager of all the assets of Covered Bond Guarantor. With such rights, and if the Court is satisfied that the prejudice that would be caused to the Security Trustee if the judicial management order is made is disproportionately greater than the prejudice that would be caused to unsecured creditors of the Covered Bond Guarantor if the application

is dismissed, the Security Trustee would have a strong right to object to the appointment of any judicial manager, save only in the case where public interest so requires.

A judicial management order may affect the Security Trustee's ability to enforce the security.

In a judicial management of the Covered Bond Guarantor, subject to certain safeguards, security of equal or higher priority may be granted in favour of a rescue financier (section 101 of the IRDA). Note however that pursuant to section 91(8)(d) of the IRDA, a judicial management order shall not be made in relation to a bank or a covered bond special purpose vehicle or securitisation special purpose vehicle (i.e. the Covered Bond Guarantor) (when read with the Prescribed Companies Order). However, the Court may nevertheless grant a judicial management order in relation to the Covered Bond Guarantor if it considers that the public interest so requires. If so, such provisions in relation to the judicial management may apply to the Covered Bond Guarantor and as such, if there is an application by a rescue financier, security of equal or higher priority to that of the Security Trustee's may be granted to the said rescue financier.

In addition, in a Court application for judicial management of the Covered Bond Guarantor, the Court must dismiss an application for a judicial management order if the making of the order is opposed by a person who has appointed or is entitled to appoint such a receiver and manager (i.e. the Security Trustee) and the Court is satisfied that the prejudice that would be caused to the said person (i.e. the Security Trustee) if the order is made is disproportionately greater than the prejudice that would be caused to unsecured creditors of the company if the application is dismissed. If the Security Trustee fails to satisfy the Court on the issue of prejudice, there is a risk that the Court may not dismiss the application for the judicial management order.

Prohibitions against ipso facto clauses may affect termination or modification of rights.

Section 440 of the IRDA prevents, amongst other things, the termination or amendment of a term under an agreement with a company, or termination or modification of any right or obligation under any agreement with the company, by reason only that judicial management or scheme proceedings are commenced or that the company is insolvent. This includes security agreements. While section 440 does not apply where the subject company is a covered bond special purpose vehicle or a securitisation special purpose vehicle (which includes the Covered Bond Guarantor) (under section 440(5)(a) of the IRDA read with the Insolvency, Restructuring and Dissolution (Prescribed Companies under Section 440) Order 2020), and while contracts or agreements that are covered bonds or are connected with a covered bond or the issuing of a covered bond are excluded from the application of section 440 (under section 440(5)(a) of the IRDA read with the Insolvency, Restructuring and Dissolution (Prescribed Contracts under Section 440) Regulations 2020), this exclusion remains untested and there is no assurance that a Court will find that all of the relevant agreements are "connected with" the covered bond and that section 440 should not apply.

All land in Singapore may be acquired by the State under the Land Acquisition Act 1966 of Singapore.

All land in Singapore may be acquired by the State under the Land Acquisition Act 1966 of Singapore (the "**Land Acquisition Act**"), including Property the subject of Mortgages in the Portfolio. Generally, a public purpose or a certain specified purpose, such as the building of transportation, infrastructure or public housing, must be present before the State may exercise its rights of compulsory acquisition in respect of such land. The declaration for the acquisition of land for such purpose is usually published by way of notification in the Government Gazette and such notification is conclusive evidence that the land is needed for the purpose specified in the notification.

Upon the publication of the notification, the Collector of Land Revenue will be directed to take proceedings for the acquisition of land. A notice will be published in the daily local newspapers circulating in Singapore stating, *inter alia*, that the State intends to acquire the land and that claims to compensation for all interests in the land may be made to the Collector of Land Revenue. Notices will also be served on every person known or believed to be interested in the land or any person known or believed to be entitled to act for a person so interested, to inform them of the same.

Thereafter, the Collector of Land Revenue shall proceed to inquire into any objections and as soon as possible after the conclusion of the inquiry make an award of the area of the land to be acquired, the compensation which in his opinion should be allowed for the land and the apportionment of compensation among all persons known or believed to be interested in the land. Compensation will be based on the market value of the land to be acquired under the Land Acquisition Act.

There is no guarantee or assurance that the amount of compensation paid for the acquired Property will be of sufficient value to enable the Covered Bond Guarantor to meet its obligations under the Covered Bond Guarantee.

Covered Bondholders will have limited recourse to the Seller and the Issuer in respect of a breach of Representation and Warranty.

The Covered Bond Guarantor, the Bond Trustee and the Security Trustee will not undertake any investigations, searches or other actions on any Loan or its Related Security and will rely instead on the Representations and Warranties given in the Mortgage Sale Agreement by the Seller in respect of the Loans and their Related Security sold by it to the Covered Bond Guarantor.

If any Loan or its Related Security sold by the Seller does not materially comply with any of the Representations and Warranties made by the Seller as at the Closing Date of that Loan or that Related Security, then the Seller will be required to notify the Covered Bond Guarantor and the Security Trustee as soon as reasonably practical after becoming aware of the fact and, upon receipt of a request to do the same from the Covered Bond Guarantor, remedy the breach within 30 days of receipt by it of the request.

If the Seller fails to remedy the breach of a Representation and Warranty within 30 days, then the Seller will be required (but only prior to the occurrence of an Issuer Event of Default and after the service of a Loan Repurchase Notice) to repurchase or accept surrender on such date that the Covered Bond Guarantor may direct in the Loan Repurchase Notice the relevant Loan and its Related Security.

The repurchase price payable upon the repurchase of any Non-CPF Loan and its Related Security or surrender of the Trust Assets relating to any CPF Loan and its Related Security (and any related Top-up Loans) by the CBG Beneficiary is an amount equal to the Principal Balance of such Loan as of the date of repurchase and any expenses as at the date of completion of such repurchase or re-transfer plus arrears of interest and accrued interest and amounts received by the Seller under such Loan or Loans in the period up to (but excluding) the date falling one Singapore Business Day prior to the relevant repurchase date in respect of such Loan or Loans.

There can be no assurance that the Seller, in the future, will have the financial resources to repurchase a Non-CPF Loan or Non-CPF Loans and its or their Related Security or accept surrender of the Trust Assets relating to any CPF Loan and its Related Security (and any related Top-up Loans) by the CBG Beneficiary and make the required Distribution. However, if the Seller does not repurchase or accept surrender of those Loans and their Related Security which are in breach of the Representations and Warranties, then the Principal Balance of those Loans will be excluded from the calculation of the Asset Coverage Test. There is no further recourse to the Seller or the Issuer in respect of a breach of a Representation or Warranty.

The repayment of the Demand Loan will rank ahead of payments under the Covered Bond Guarantee.

The Demand Loan at any relevant time will be equal to the difference between the outstanding principal balance of the Intercompany Loan and the principal amount of the Guarantee Loan at that time. The Guarantee Loan, at any relevant time, is in an amount equal to:

- (i) the SGD Equivalent of the outstanding nominal amount of the Covered Bonds at that time, plus;
- (ii) an amount equal to the aggregate principal amount outstanding (or, in the case of assets in the form of Loans (other than Converted Loans and Affected BB Loans), the Principal Balance) of additional assets in excess of (i) above, as required to satisfy (and determined in accordance with) the Asset Coverage Test; minus
- (iii) the outstanding principal amount of the Subordinated Loan (excluding, for the avoidance of doubt, interest and other non-principal amounts thereunder).

The Demand Loan is therefore a voluntary level of over-collateralisation above what is strictly required under the Asset Coverage Test. For this reason, the Intercompany Loan Provider may demand the repayment of that Demand Loan at any point in time prior to service of a Notice to Pay or a Covered Bond Guarantor Acceleration Notice, **provided that**, following the repayment of that Demand Loan, the Asset Coverage Test will continue to be complied with. Following a Demand Loan Repayment Notice or service of a Notice to Pay or a Covered Bond Guarantor Acceleration Notice, the Demand Loan must be repaid. In all circumstances, repayment of the Demand Loan will rank ahead of payments under the Covered Bond

Guarantee. Repayment of principal on the Demand Loan may (at the discretion of the Intercompany Loan Provider) (and, following the service of a Notice to Pay or a Covered Bond Guarantor Acceleration Notice, shall only) be made by payment in kind with the transfer of Demand Loan Repayment Assets, in each case in accordance with the terms of the Intercompany Loan Agreement, to the Intercompany Loan Provider. The repayment of the Demand Loan will be made in priority to amounts owed to other Secured Creditors, including the Covered Bondholders.

Further, the Demand Loan Repayment Assets (and certain principal collections in respect of the Demand Loan Repayment Assets) will not form part of the assets that are applied by the Security Trustee in accordance with the Post-Enforcement Priority of Payments following the occurrence of a CBG Event of Default and delivery of a Covered Bond Guarantor Acceleration Notice.

In order to provide sufficient time to the Servicer and the Cash Manager to select and transfer or reassign, release and surrender the Covered Bond Guarantor's or, as the case may be, the CBG Beneficiary's rights, estate, title, interests, benefits and remedies in respect of the relevant Demand Loan Repayment Assets to or in favour of, as the case may be, the Intercompany Loan Provider in accordance with the terms of the Intercompany Loan Agreement, the terms of the Singapore Deed of Charge provide that the Security Trustee may only apply amounts in accordance with the Post-Enforcement Priority of Payments on and after the first CBG Payment Date following the earlier of:

- (a) 30 days following the service of a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor; and
- (b) the date the Asset Percentage is fixed following the service of a Covered Bond Guarantor Acceleration Notice in accordance with the Intercompany Loan Agreement.

Covered Bondholders should therefore include such analysis of the Demand Loan in their review of the level of over-collateralisation in the Portfolio from time to time. Payments to Secured Creditors, including the Covered Bondholders, may also be delayed in respect of the Post-Enforcement Priority of Payments.

Risk relating to the Volcker Rule.

The Covered Bond Guarantor relies on an exclusion or exemption under the Investment Company Act contained in Section 3(c)(5)(C), although there may be additional exclusions or exemptions available to the Covered Bond Guarantor. The Covered Bond Guarantor is being structured so as not to constitute a "covered fund" for purposes of the regulations adopted to implement Section 619 of the Dodd-Frank Act (such statutory provision together with such implementing regulations, the "**Volcker Rule**"). The Volcker Rule generally prohibits "banking entities" (which is broadly defined to include U.S. banks and bank holding companies and many non-U.S. banking entities, together with their respective subsidiaries and other affiliates) from:

- (i) engaging in proprietary trading;
- (ii) acquiring or retaining an ownership interest in or sponsoring a "covered fund"; and
- (iii) entering into certain relationships with such funds, subject to certain exceptions.

Under the Volcker Rule, unless jointly determined otherwise by specified federal regulators, a "covered fund" does not include an issuer that may rely on an exclusion or exemption from the definition of "investment company" under the Investment Company Act other than the exclusions contained in Section 3(c)(1) and Section 3(c)(7) of the Investment Company Act. Any prospective investor in the certificates, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding such matters and other effects of the Volcker Rule.

Risks Relating to the Covered Bonds

Limitations on further issuances of Covered Bonds issued under the Programme.

Save in respect of the first issue of Covered Bonds issued under the Programme, Covered Bonds issued under the Programme will either be fungible with an existing Series of Covered Bonds or have different terms from an existing Series of Covered Bonds (in which case they will constitute a new Series).

All Covered Bonds issued from time to time will rank *pari passu* with each other in all respects and will share in the security granted by the Covered Bond Guarantor under the Deeds of Charge. If an Issuer Event of Default occurs in respect of a particular Series of Covered Bonds, the Covered Bonds of all Series outstanding will accelerate at the same time against the Issuer (following service of an Issuer Acceleration Notice) but will be subject to, and have the benefit of, payments made by the Covered Bond Guarantor under the Covered Bond Guarantee (following service of a Notice to Pay). Subject as provided in Condition 9 (*Events of Default*) and the Bond Trust Deed, if a Covered Bond Guarantor Event of Default occurs, following service of a Covered Bond Guarantor Acceleration Notice, the Covered Bonds of all Series outstanding will accelerate against the Issuer (if not already accelerated following an Issuer Event of Default) and the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee will accelerate.

There can be no assurance that further issuances will not adversely affect existing holders of the Covered Bonds.

Security Trustee's and Bond Trustee's powers may affect the interests of the Covered Bondholders.

In the exercise of its duties, powers, trusts, authorities and discretions, the Security Trustee shall only have regard to the interests of the Covered Bondholders. In the exercise of its duties, powers, trusts, authorities and discretions, the Security Trustee shall not act on behalf of the Seller.

In having regard to the interests of the Covered Bondholders, the Security Trustee shall be entitled to rely solely on a written confirmation from the Bond Trustee as to whether, in the opinion of the Bond Trustee, any matter, action or omission is or is not in the interests of or is not prejudicial or materially prejudicial to the interests of, the Covered Bondholders. The Bond Trustee shall have sole responsibility for resolving conflicts of interest as between the Covered Bondholders or any Series or class of them, subject to and in accordance with the provisions of the Bond Trust Deed and the Conditions of the Covered Bonds.

If, in connection with the exercise of its powers, trusts, authorities or discretions, the Bond Trustee is of the opinion that the interests of the Covered Bondholders of any one or more Series would be materially prejudiced thereby, the Bond Trustee shall not exercise such power, trust, authority or discretion without the approval of such Series of Covered Bondholders by Extraordinary Resolution or by a direction in writing of such Covered Bondholders of not less than one-quarter of the outstanding notional amount of the Covered Bonds of the relevant Series then outstanding. There can be no assurance that the view taken by the Bond Trustee as to what is materially prejudicial to the interests of the Covered Bondholders will accord with the views of any Covered Bondholder.

The Bond Trustee and the Security Trustee may agree to modifications to the Transaction Documents without, respectively, the Covered Bondholders' or Secured Creditors' prior consent.

Pursuant to Condition 10 (*Meetings of Covered Bondholders, Modification, Waiver and Substitution*), and certain provisions of the Bond Trust Deed and the Deeds of Charge, the Bond Trustee has the ability to agree to or direct the Security Trustee to agree to certain modifications (save in relation to a Series Reserved Matter), waivers and authorisations under the Covered Bonds and the Transaction Documents (including the waiver of any Issuer Event of Default and/or Covered Bond Guarantor Event of Default) without consultation with, or the consent or sanction of, the Covered Bondholders or the other Secured Creditors.

In addition, the rating criteria used by the Rating Agencies to assign a rating to the Covered Bonds may be amended by the Rating Agencies from time to time. Following amendments to the relevant rating criteria by the Rating Agency applicable to a Swap Agreement, the Covered Bond Guarantor, each relevant Swap Provider, the Bond Trustee and Security Trustee may agree to amend and restate the relevant Swap Agreements in order to implement the new rating criteria so as to maintain the ratings then assigned to the Covered Bonds. Such amendments may be prejudicial to the interest of the Covered Bondholders.

Subject as provided in Condition 10 (*Meetings of Covered Bondholders, Modification, Waiver and Substitution*) and the Bond Trust Deed, the Bond Trustee must, or must direct the Security Trustee to, agree to modifications, waivers and authorisations as referred to above if so directed by:

- (i) an Extraordinary Resolution of the Covered Bondholders; or
- (ii) the holders of not less than one-quarter of the nominal amount of the Covered Bonds of the relevant Series then outstanding.

Further, in respect of a Transaction Document to which the Bond Trustee or the Security Trustee is a party, the Bond Trustee or the Security Trustee (as the case may be) may agree without the consent of the Covered Bondholders, Receiptholders or Couponholders to the amendment to such Transaction Document (including, without limitation, adding, changing or removing parties and correcting or rectifying any ambiguity, defective provisions, errors, omissions or inconsistencies) to the Transaction Document, **provided that**, following the first Issue Date, the Cash Manager has delivered a Rating Agency Confirmation to the Covered Bond Guarantor, the Agent, the Security Trustee and the Bond Trustee in respect of such amendment and the Cash Manager has confirmed in writing to the Agent, the Security Trustee and the Bond Trustee (as the case may be) and to the Covered Bond Guarantor that in its opinion such amendment will not have an adverse effect on the amount and timing of any payment to the Covered Bondholders. Any such amendment shall be binding on all Covered Bondholders, Receiptholders and all Couponholders and, if the Bond Trustee or the Security Trustee, as applicable, so requires, shall be notified to the Covered Bondholders as soon as possible. The Security Trustee and the Bond Trustee (as the case may be) may in its discretion (but shall not be obliged to) rely on the Rating Agency Confirmation delivered to them. Investors should note the risk factor entitled "*Risk Factors – Risks Relating to the Covered Bonds – Risks Relating to Rating Agency Confirmations in respect of Covered Bonds*" as well as the definition of "Rating Agency Confirmation" set out in the glossary of defined terms at the end of this Offering Memorandum.

Certain decisions of the Covered Bondholders must be taken at Programme level.

Any Extraordinary Resolution to direct the Bond Trustee to serve an Issuer Acceleration Notice following an Issuer Event of Default or to direct the Bond Trustee to serve a Covered Bond Guarantor Acceleration Notice following a Covered Bond Guarantor Event of Default and any direction to the Bond Trustee to take any enforcement action or to direct the Security Trustee to take any enforcement action must be passed at a single meeting of the Covered Bondholders of all Series then outstanding. Therefore, the holders of a single Series of Covered Bonds may not be able to give any directions to the Bond Trustee or the Security Trustee without the agreement of the holders of other outstanding Series of Covered Bonds.

Obligations under the Covered Bond Guarantee may be extended beyond the Maturity Date of the Covered Bonds.

Following the failure by the Issuer to pay the Final Redemption Amount of a Series of Covered Bonds on their Maturity Date (subject to applicable grace periods) and if, following the service of an Issuer Acceleration Notice on the Issuer and of a Notice to Pay on the Covered Bond Guarantor (by no later than the date which falls one Business Day prior to the Extension Determination Date), payment of the Guaranteed Amounts corresponding to the Final Redemption Amount in respect of such Series of the Covered Bonds are not paid in full, then the payment of such Guaranteed Amounts may be automatically deferred. The Issuer is not required to notify Covered Bondholders of such deferral. This will occur (subject to no Covered Bond Guarantor Event of Default having occurred) if the Pricing Supplement for a relevant Series of Covered Bonds provides that such Covered Bonds are subject to an Extended Due for Payment Date.

To the extent that the Covered Bond Guarantor has received a Notice to Pay in sufficient time and has sufficient monies available to pay in whole or in part the Guaranteed Amounts corresponding to the relevant unpaid portion of the Final Redemption Amount in respect of the relevant Series of Covered Bonds, the Covered Bond Guarantor shall make such payment in accordance with the Guarantee Priority of Payments and as described in Condition 5(a) (*Redemption by Instalments and Final Redemption*) on any Interest Payment Date up to and including the relevant Extended Due for Payment Date. Payment of the unpaid amount shall be deferred automatically until the applicable Extended Due for Payment Date (where the relevant Series of Covered Bonds are subject to an Extended Due for Payment Date). The Covered Bondholders should be aware that the Extended Due for Payment Date will be the date specified in the applicable Pricing Supplement, interest will continue to accrue and be payable on the unpaid amount in accordance with Condition 4 (*Interest and other Calculations*) and the Covered Bond Guarantor will pay Guaranteed Amounts constituting Scheduled Interest on each Original Due for Payment Date and the Extended Due for Payment Date. In these circumstances, except where the Covered Bond Guarantor has failed to apply money in accordance with the Guarantee Priority of Payments, failure by the Covered Bond Guarantor to make payment in respect of the Final Redemption Amount on the Maturity Date (or such later date within any applicable grace period) shall not constitute a Covered Bond Guarantor Event of Default. However, failure by the Covered Bond Guarantor to pay Guaranteed Amounts corresponding to the Final Redemption Amount or the balance thereof, as the case may be, on the Extended Due for Payment Date

and/or pay Guaranteed Amounts constituting Scheduled Interest on any Original Due for Payment Date or the Extended Due for Payment Date will (subject to any applicable grace period) be a Covered Bond Guarantor Event of Default.

The Maturity Dates for different Series of Covered Bonds may not be the same. In the case of a Series of Covered Bonds which are subject to an Extended Due for Payment Date (as specified in the applicable Pricing Supplement), if the principal amounts have not been repaid in full, as described in more detail above, by the Extension Determination Date, then the repayment of unpaid principal amounts shall be deferred until the Extended Due for Payment Date. This means that a Series of Covered Bonds having an earlier Maturity Date than such Extended Due for Payment Date may start receiving principal repayments in advance of the Series of Covered Bonds in respect of which unpaid principal amounts have been deferred until such Extended Due for Payment Date.

The Extended Due for Payment Dates for different Series of Covered Bonds to which an Extended Due for Payment Date applies may not be the same. On each CBG Payment Date following the service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantor Acceleration Notice and/or the commencement of winding-up proceedings against the Covered Bond Guarantor and/or the realisation of the Security), the Covered Bond Guarantor will apply Available Revenue Receipts and Available Principal Receipts in accordance with the Guarantee Priority of Payments. To the extent that the amount available for distribution under the Guarantee Priority of Payments would be insufficient to pay the Scheduled Interest, the Scheduled Principal or the Final Redemption Amount of any Series of Covered Bonds to which an Extended Due for Payment Date applies, the shortfall will be divided amongst all such Series of Covered Bonds on a *pro rata* and *pari passu* basis.

General volatility in the wholesale funding markets may affect the ability of the Issuer to fulfil its ongoing obligations under the Programme.

Since the second half of 2007, disruption in the global markets, coupled with the re-pricing of credit risk and the deterioration of the housing markets in the United States and elsewhere, have created difficult conditions in the financial markets. These conditions have resulted in historic volatility, less liquidity or no liquidity, widening of credit spreads and a lack of price transparency in certain markets, both primary and secondary, including with respect to the mortgage-backed securities and covered bond markets. These adverse market conditions have resulted in the failures of a number of financial institutions in the United States and Europe and unprecedented action by governmental authorities, regulators and central banks around the world. While market conditions have shown signs of improvement in certain sectors of the global credit markets, it is difficult to predict whether, or to what extent, such market improvement will continue and/or how long the adverse market conditions will continue to exist. Additionally, there can be no assurance that the market for covered bonds will continue to recover, or to the same degree as other recovering global credit market sectors.

If wholesale funding markets do not continue to improve, or deteriorate further, it may have an adverse effect on the ability of the Issuer (acting in its various capacities under the Programme) to fulfil its ongoing obligations under the Programme and, as a result, the performance of the Covered Bonds may be adversely affected.

The Issuer may issue Covered Bonds which may give rise to particular risks for potential investors.

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

- (i) An optional redemption feature is likely to limit the market value of Covered Bonds. During any period when the Issuer may elect to redeem Covered Bonds, the market value of those Covered Bonds generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem Covered Bonds when its cost of borrowing is lower than the interest rate on the Covered Bonds. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Covered Bonds being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

- (ii) The Issuer may issue Covered Bonds where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment. Covered Bonds with floating interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.
- (iii) Fixed/Floating Rate Covered Bonds may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Covered Bonds since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Covered Bonds may be less favourable than then prevailing spreads on comparable Floating Rate Covered Bonds tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Covered Bonds. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Covered Bonds.

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

- (iv) In the case of Covered Bonds which have denominations consisting of a minimum denomination or denominations of such Covered Bonds as specified in the applicable Pricing Supplement (the "**Specified Denomination**") plus one or more higher integral multiples of another smaller amount, it is possible that Covered Bonds may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case, a Covered Bondholder who, as a result of trading such amounts, holds a nominal amount of less than the minimum Specified Denomination will not receive a Definitive Covered Bond in respect of such holding (should Definitive Covered Bonds be printed) and would need to purchase a nominal amount of Covered Bonds such that it holds an amount equal to one or more Specified Denominations.

If Definitive Covered Bonds are issued, holders should be aware that Definitive Covered Bonds which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

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

The Programme allows for the issuance of Covered Bonds that reference certain interest rates or other types of rates or indices which are deemed to be "benchmarks", in particular with respect to certain Floating Rate Covered Bonds where the Reference Rate (as defined in the Conditions) may be HIBOR, EURIBOR, SONIA Benchmark, SOFR Benchmark or SORA Benchmark or another such benchmark. The Pricing Supplement for the Covered Bonds will specify whether HIBOR, EURIBOR, SONIA Benchmark, SOFR Benchmark or SORA Benchmark or another such benchmark is applicable.

Interest rates and indices which are deemed to be or used as "benchmarks", such as HIBOR and EURIBOR, have been subject to significant regulatory scrutiny and legislative intervention in recent years. This relates not only to creation and administration of benchmarks, but, also, to the use of a benchmark rate. In the EU, for example, Regulation (EU) No. 2016/1011, as amended (the "**EU Benchmarks Regulation**") applies to the provision of, contribution of input data to, and the use of, a benchmark within the EU, subject to certain transitional provisions. Similarly, Regulation (EU) No. 2016/1011 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended (the "**UK Benchmarks Regulation**") applies to the provision of, contribution of input data to, and the use of, a benchmark within the UK, subject to certain transitional provisions.

Legislation such as the EU Benchmarks Regulation or the UK Benchmarks Regulation, if applicable, could have a material impact on any Covered Bonds linked to EURIBOR or another benchmark rate or index – for example, if the methodology or other terms of the benchmark are changed in the future in order to

comply with the terms of the EU Benchmarks Regulation or UK Benchmarks Regulation or other similar legislation, or if a critical benchmark is discontinued or is determined to be by a regulator to be "no longer representative". Such factors could (amongst other things) have the effect of reducing or increasing the rate or level or may affect the volatility of the published rate or level of the benchmark. They may also have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks", trigger changes in the rules or methodologies used in certain "benchmarks", or lead to the discontinuance or unavailability of quotes of certain "benchmarks".

More broadly, any of the international reforms or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements.

The elimination of HIBOR and EURIBOR or any other benchmark, or changes in the manner of administration of any benchmark, could require an adjustment to the Conditions, or result in adverse consequences to holders of any Covered Bonds linked to such benchmark ((including Covered Bonds whose interest rates are linked to HIBOR and EURIBOR or any other such benchmark that is subject to reform). Such factors may have the following effects on certain benchmarks:

- (i) discourage market participants from continuing to administer or contribute to the benchmark;
- (ii) trigger changes in the rules or methodologies used in the benchmark; or
- (iii) lead to the discontinuance of the benchmark.

Any of the above changes or any other consequential changes as a result of international reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Covered Bonds linked to or referencing a benchmark. Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Covered Bonds, the return on the relevant Covered Bonds and the trading market for securities (including the Covered Bonds) based on the same benchmark.

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

Furthermore, if a replacement Reference Rate has been determined by the Issuer (or its designated person, as the case may be) in accordance with Condition 4(j) (*Benchmark Discontinuation*), the Conditions provide that the Issuer may vary the Conditions and/or the Bond Trust Deed, as necessary to ensure the proper operation of such replacement Reference Rate, without any requirement for consent or approval of the Covered Bondholders.

Where Condition 4(j) (*Benchmark Discontinuation*) is specified in the relevant Pricing Supplement as the applicable mechanics for determining a replacement Reference Rate, there may be circumstances in which a new replacement Reference Rate may not be able to be determined before the next Interest Determination

Date. In such event, the Rate of Interest for the next succeeding Interest Period will be the Rate of Interest applicable as at the last preceding Interest Determination Date before the discontinuation or disapplication of the original Reference Rate in accordance with the Conditions. This is likely to result in Covered Bonds linked to or referencing the relevant benchmark performing differently (which may include payment of a lower Rate of Interest) than they would do if the relevant benchmark were to continue to apply, or if a replacement Reference Rate could be determined. The initial Rate of Interest, or the Rate of Interest applicable as at the last preceding Interest Determination Date before the discontinuation or disapplication of the original applicable Reference Rate in accordance with the Conditions, could, as a result, continue to apply to maturity, which would lead to the floating rate Covered Bonds, in effect, becoming fixed rate Covered Bonds.

Where ISDA Determination is specified as the manner in which the Rate of Interest in respect of Floating Rate Covered Bonds is to be determined, the Conditions provide that the Rate of Interest in respect of the Floating Rate Covered Bonds shall be determined by reference to the relevant Floating Rate Option in the 2021 ISDA Definitions. If the relevant Floating Rate Option is unavailable (including due to the occurrence of a Fallback Index Cessation Event, as defined in the 2021 ISDA Definitions), the 2021 ISDA Definitions may contain fallback provisions to determine a replacement reference rate to be used in place of such Floating Rate Option, and the use of any such replacement rate to determine the Rate of Interest is likely to result in Covered Bonds initially linked to or referencing the original Floating Rate Option performing differently (which may include payment of a lower Rate of Interest) than they would do if the original applicable Floating Rate Option were to continue to apply in its current form. Furthermore, if the fallback provisions provided for by the 2021 ISDA Definitions fail to identify a replacement reference rate, there may be uncertainty as to the Rate of Interest that would be applicable, which may in turn adversely affect the value of, and return on, the Floating Rate Covered Bonds.

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

Negative benchmark rates would reduce the rate of interest on the Floating Rate Covered Bonds.

The interest rate to be borne by the Floating Rate Covered Bonds is based on a spread over the relevant benchmark, including EURIBOR, HIBOR, SONIA Benchmark, SOFR Benchmark or SORA Benchmark or another benchmark. Changes in the relevant benchmark rate will affect the rate at which the Floating Rate Covered Bonds accrue interest and the amount of interest payments on the Floating Rate Covered Bonds. To the extent that the relevant benchmark rate decreases below 0.00% for any interest period, the rate at which the Floating Rate Covered Bonds accrue interest for such interest period may be reduced by the amount by which such benchmark rate is negative. Any such movements would be limited to a rate of 0.00% (unless otherwise set out in the relevant Pricing Supplement).

The use of risk-free rates (including overnight rates) as reference rates for Floating Rate Covered Bonds may vary and methodologies for their calculation may vary and evolve and there may be an adverse effect on the return of Covered Bonds linked to risk free rates ("RFRs")

RFRs, such as the Sterling Overnight Index Average ("SONIA"), the Secured Overnight Financing Rate ("SOFR") and the Singapore Overnight Rate Average ("SORA"), have become more commonly used as benchmark rates for bonds in recent years. Most of the rates are backwards-looking, but the methodologies to calculate the risk-free rates are not uniform. Such different methodologies may result in slightly different interest amounts being determined in respect of otherwise similar securities.

The Issuer may in the future issue Covered Bonds referencing risk-free rates that differ materially in terms of interest determination when compared with any previous Covered Bonds referencing the same risk-free rate issued by it under the Programme. Such variation could result in reduced liquidity or increased volatility or might otherwise affect the market price of any Covered Bonds issued under the Programme which references any such risk-free rate from time to time.

In addition, investors should consider how any mismatch between applicable conventions for the use of RFRs across the bond, derivatives and loan markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Covered Bonds referencing such RFRs.

Furthermore, the basis of deriving certain risk-free rates, such as SONIA Benchmark, SOFR Benchmark or SORA Benchmark, may mean that interest on Covered Bonds which reference any such risk-free rate would only be capable of being determined after the end of the relevant Observation Period and immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Covered Bonds which reference any such risk-free rate to estimate reliably the amount of interest which will be payable on such Covered Bonds. Further, if Covered Bonds referencing SONIA Benchmark, SOFR Benchmark or SORA Benchmark become due and payable as a result of an event of default under Condition 9 (*Events of Default*), the rate of interest payable for the final Interest Period in respect of such Covered Bonds shall only be determined on the date which the Covered Bonds become due and payable and shall not be reset thereafter. Investors should consider these matters when making their investment decision with respect to any such Covered Bonds.

Market terms for debt securities indexed to any risk-free rate, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of such Covered Bonds may be lower than those of later-issued indexed debt securities as a result. Further, if any risk-free rate to which a series of Covered Bonds is linked does not prove to be widely used in securities like the Covered Bonds, the trading price of such Covered Bonds linked to a risk-free rate may be lower than those of Covered Bonds linked to indices that are more widely used. Investors in such Covered Bonds may not be able to sell such Covered Bonds at all or may not be able to sell such Covered Bonds at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk. Daily changes in such rates may also be more volatile than daily changes in other benchmarks or market rates, such that the value on and value of Covered Bonds linked to risk-free rates may fluctuate more than floating rate debt securities linked to less volatile rates. There can also be no guarantee that any risk-free rate to which a series of Covered Bonds is linked will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of investors in Covered Bonds referencing such risk-free rate. If the manner in which such risk-free rate is calculated is changed, that change may result in a reduction of the amount of interest payable on such Covered Bonds and the trading prices of such Covered Bonds.

Administrators of RFRs have published historical performance data. Investors should not rely on historical performance data as an indicator of future performance of such RFRs.

There are risks associated with modifying or amending the terms and conditions of the Covered Bonds by way of a meeting of Covered Bondholders.

The terms and conditions of the Covered Bonds contain provisions for calling meetings of Covered Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Covered Bondholders, including Covered Bondholders who did not attend and vote at the relevant meeting and Covered Bondholders who voted in a manner contrary to the majority.

The Issuer and Covered Bondholders may face certain risks associated with any changes to English law or Singapore law or administrative practice after the date of the issue of the relevant Covered Bonds.

The terms and conditions of the Covered Bonds are based on English law (and the Transaction Documents are governed by English or Singapore law as specified in the applicable Pricing Supplement) in effect as at the date of issue of the relevant Covered Bonds. No assurance can be given as to the impact of any possible judicial decision or change to English law, Singapore law or administrative practice after the date of issue of the relevant Covered Bonds.

Limited liquidity of the Covered Bonds may affect the market price of the Covered Bonds.

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

The Covered Bonds are a new issue of securities with no established trading market. Application may be made to list a series of Covered Bonds on the Official List of the SGX-ST. However, if for any reason the Covered Bonds are not listed, the liquidity of the Covered Bonds may be negatively impacted.

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

The Dealers have made no commitment and have no obligation to make a market in the Covered Bonds. Therefore, no assurance can be given that any Dealer will actually make a market in any Covered Bonds that are issued under the Programme, or if it does, that it will continue to make a market in the future. In addition, the ability of the Dealers to make a market in the Covered Bonds (if applicable) may be impacted by changes in regulatory requirements applicable to the marketing, holding and trading of, and issuing quotations with respect to, the Covered Bonds. No assurance can be given that an active trading market for any Covered Bonds will develop, and therefore the liquidity of the Covered Bonds may be considerably less than for comparable debt securities.

Covered Bondholders may be subject to Singapore taxation.

The Covered Bonds to be issued from time to time under the Programme during the period from the date of this Offering Memorandum to 31 December 2028 are intended to be "qualifying debt securities" for the purposes of the Income Tax Act subject to the fulfilment of certain conditions more particularly described in the section "*Taxation – Singapore Taxation*".

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

Covered Bondholders may be subject to withholding tax under FATCA.

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, as amended, commonly known as "FATCA," a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including Singapore) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Covered Bonds, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Covered Bonds, are uncertain and may be subject to change. An investor should be aware that if any payments in relation to a Covered Bond were subject to deduction or withholding under FATCA, none of the Issuer, the Covered Bond Guarantor, the Sole Arranger, Dealers or any other persons involved in the Programme would have an obligation to pay any additional amounts in respect of such deduction or withholding in accordance with Condition 7 (*Taxation*) of the Covered Bonds. Prospective investors should consult their own tax advisers regarding the potential impact of FATCA.

Issuance of additional Covered Bonds may be treated as a separate series for U.S. federal income tax purposes.

The Issuer may, without the consent of the Covered Bondholders, issue additional Covered Bonds with identical terms. These additional Covered Bonds, even if they are treated for non-tax purposes as part of the same series as the original Covered Bonds, in some cases may be treated as a separate issue for U.S. federal income tax purposes. In such a case, among other things, the additional Covered Bonds may be

considered to have been issued with OID (as defined in "*Taxation – U.S. Taxation*") even if the original Covered Bonds had no OID, or the additional Covered Bonds may have a greater amount of OID than the original Covered Bonds. These differences may affect the market value of the original Covered Bonds if the additional Covered Bonds are not otherwise distinguishable from the original Covered Bonds.

Risks relating to the ratings of the Covered Bonds.

The ratings assigned to the Covered Bonds address:

- (i) the likelihood of full and timely payment to holders of the Covered Bonds of all payments of interest on each Interest Payment Date; and
- (ii) the likelihood of ultimate payment of principal in relation to Covered Bonds on (i) the Maturity Date thereof, or (ii) if the Covered Bonds are subject to an Extended Due for Payment Date in respect of the Covered Bond Guarantee in accordance with the applicable Pricing Supplement, on the Extended Due for Payment Date thereof.

Any Rating Agency may lower its rating or withdraw its rating if, in the sole judgement of the Rating Agency, the credit quality of the Covered Bonds has declined or is in question. If any rating assigned to the Covered Bonds is lowered or withdrawn, the market value of the Covered Bonds may be reduced.

In addition, at any time any Rating Agency may revise its relevant rating methodology with the result that, amongst other things, any rating assigned to the Covered Bonds may be lowered.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension or withdrawal (or, as noted above, revision) at any time. A credit rating may not reflect the potential impact of all of the risks related to the structure, market, additional factors discussed above, and other factors that may affect the value of the Covered Bonds. Any downgrade in the rating of the Issuer by the Rating Agencies may have a negative impact on the ratings of the Covered Bonds.

Credit ratings assigned to the Covered Bonds do not necessarily mean that they are a suitable investment. Similar ratings on different types of covered bonds do not necessarily mean the same thing. The ratings do not address the marketability of the Covered Bonds or any market practice. Any change in the credit ratings of the Covered Bonds or the SCBSL Group could adversely affect the price that a subsequent purchaser will be willing to pay for the Covered Bonds. The significance of each rating should be analysed independently from any other rating.

In general, European regulated investors are restricted under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**") from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended).

Similarly, in general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not (1) issued by a credit rating agency established in the UK and registered under Regulation (EC) No. 1060/2009 as it forms part of domestic law in the United Kingdom by virtue of the EUWA (the "**UK CRA Regulation**") or (2) provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (3) provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation.

The list of registered and certified rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website in accordance with the CRA Regulation and as set out on the latest update of the list of registered credit rating agencies on the FCA's Financial Services Register is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list or Financial Services Register, as applicable. Each of S&P Global Ratings Australia Pty Ltd and Moody's Investors Service Singapore Pte. Ltd. is not established in the European Union and has not applied for registration under the CRA Regulation and UK CRA Regulation.

In addition, not all issues of Covered Bonds may be rated and even if one or more independent credit rating agencies assigns credit ratings to an issue of Covered Bonds, the ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Covered Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be suspended, revised, downgraded or withdrawn by the assigning rating agency at any time.

Certain information with respect to the credit rating agencies and ratings referred to in this Offering Memorandum, is set out in "*Summary of the Programme – Rating*" of this Offering Memorandum.

Risks relating to Rating Agency Confirmations in respect of Covered Bonds.

A written Rating Agency Confirmation that any action proposed to be taken by the Issuer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee or any other of the parties to the Transaction Documents will not have an adverse effect on the then current rating of the Covered Bonds does not, for example, confirm that such action (i) is permitted by the terms of the Transaction Documents or (ii) is in the best interests of, or not prejudicial to, the Covered Bondholders. While entitled to have regard to the fact that the Rating Agencies may have confirmed that the then current rating of the relevant Series of Covered Bonds would not be adversely affected, the above does not impose or extend any actual or contingent liability on the Rating Agencies to the Secured Creditors (including the Covered Bondholders), the Issuer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee, the other parties to the Transaction Documents or any other person or create any legal relationship between the Rating Agencies and the Secured Creditors (including the Covered Bondholders), the Issuer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee, the other parties to the Transaction Documents or any other person, whether by way of contract or otherwise.

Any such written Rating Agency Confirmation may or may not be given at the sole discretion of each Rating Agency. It should be noted that, depending on the timing of delivery of the request and any information needed to be provided as part of any such request, it may be the case that a Rating Agency cannot provide a written Rating Agency Confirmation in the time available or at all, and the Rating Agency should not be responsible for the consequences thereof. A written Rating Agency Confirmation, if given, will be given on the basis of the facts and circumstances prevailing at the relevant time and in the context of cumulative changes to the transaction of which the securities form part since the issuance closing date. A written Rating Agency Confirmation represents only a restatement of the opinions given, and is given on the basis that it will not be construed as advice for the benefit of any parties to the transaction.

Certain Rating Agencies have indicated that they will no longer provide Rating Agency Confirmations as a matter of policy. Therefore, an authorised signatory of the Issuer or, following the occurrence of an Issuer Event of Default, the Covered Bond Guarantor, may certify in writing to the Security Trustee and the Bond Trustee that, in its opinion (and where a Rating Agency was prepared to consult with the Issuer or the Covered Bond Guarantor, as applicable, this opinion is based on consultation with that Rating Agency), such action would not cause the ratings of the Covered Bonds to be reduced or withdrawn by the Rating Agencies. To the extent that no written Rating Agency Confirmation or certification can be obtained, any action to be taken will be determined in accordance with the provisions of the relevant Transaction Documents, specifically the relevant modification and waiver provisions.

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

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

in the Global Covered Bonds or Global Certificates. In the event of the insolvency of CDP, the CMU, DTC, Euroclear or Clearstream or any of their respective participants in whose name interests in the Global Covered Bonds or Global Certificates are recorded, the ability of beneficial owners to obtain timely or ultimate payment of principal and interest on Global Covered Bonds or Global Certificates may be impaired.

Where the Global Covered Bonds or Global Certificates are held by or on behalf of Euroclear, Clearstream and/or DTC and/or the CMU and/or CDP, investors will have to rely on the procedures of Euroclear, Clearstream, DTC, the CMU and/or CDP for transfer, payment and communication with the Issuer.

Covered Bonds issued under the Programme may be represented by one or more Global Covered Bonds or Global Certificates. Such Global Covered Bonds or Global Certificates may be deposited with a common depositary for Euroclear and Clearstream, DTC, CMU and CDP (each a "**Clearing System**"). Except in the circumstances described in the relevant Global Covered Bond or Global Certificate, investors will not be entitled to receive definitive Covered Bonds or Certificates. The relevant Clearing System(s) will maintain records of the beneficial interests in the Global Covered Bonds or Global Certificates. While the Covered Bonds are represented by one or more Global Covered Bonds or Global Certificates, investors will be able to transfer their beneficial interests only through Clearing Systems.

While the Covered Bonds are represented by one or more Global Covered Bonds or Global Certificates, the Issuer, or, as applicable, the Covered Bond Guarantor, will discharge its payment obligations under such Covered Bonds by making payments to or to the order of the relevant Clearing System(s) for distribution to their account holders. A holder of a beneficial interest in a Global Covered Bond or Global Certificate must rely on the procedures of the relevant Clearing System(s) to receive payments under the relevant Covered Bonds. Neither the Issuer nor the Covered Bond Guarantor has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Covered Bonds or Global Certificates.

Other than in relation to Global Covered Bonds or Global Certificates held by CDP, holders of beneficial interests in the Global Covered Bonds or Global Certificates will not have a direct right to vote in respect of the relevant Covered Bonds. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear or Clearstream, DTC or the CMU (as the case may be) to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Covered Bonds or Global Certificates will not have a direct right under the respective Global Covered Bonds or Global Certificates to take enforcement action against the (i) Issuer following an Issuer Event of Default under the relevant Covered Bonds, or (ii) the Covered Bond Guarantor following a Covered Bond Guarantor Event of Default, but in each case will have to rely upon their rights under the Bond Trust Deed.

Covered Bonds may not be a suitable investment for all investors.

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

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Covered Bonds, the merits and risks of investing in the relevant Covered Bonds and the information contained in this Offering Memorandum or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Covered Bonds and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Covered Bonds, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Covered Bonds and be familiar with the behaviour of any relevant indices and financial markets;

- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks; and
- (vi) understand the accounting, legal, regulatory and tax implications of a purchase, holding and disposal of an interest in the Covered Bonds.

The Covered Bonds are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios.

A potential investor should not invest in Covered Bonds which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Covered Bonds will perform under changing conditions, the resulting effects on the value of such Covered Bonds and the impact this investment will have on the potential investor's overall investment portfolio. A potential investor should ensure that it has sufficient knowledge and experience (either alone or with the help of a financial adviser) to make its own legal, tax, accounting and financial evaluation of the merits and risks of investing in the Covered Bonds and that it considers the suitability of the Covered Bonds as an investment in light of its own circumstances and financial condition.

Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent:

- (i) the Covered Bonds are legal investments for it;
- (ii) the Covered Bonds can be used as collateral for various types of borrowing; and
- (iii) other restrictions apply to its purchase or pledge of any Covered Bonds.

Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Covered Bonds under any applicable risk-based capital or similar rules.

Risks Relating to the Market Generally

Investment in Covered Bonds may be subject to certain risks associated with exchange rate fluctuations and any modifications to exchange controls.

The Issuer will pay principal and interest on the Covered Bonds in the currency specified (the "**Settlement Currency**"). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Settlement Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Settlement Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Settlement Currency would decrease:

- (i) the Investor's Currency-equivalent yield on the Covered Bonds;
- (ii) the Investor's Currency equivalent value of the principal payable on the Covered Bonds; and
- (iii) the Investor's Currency equivalent market value of the Covered Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks.

Covered Bondholders may suffer unforeseen losses due to fluctuations in interest rates. Generally, a rise in interest rates may cause a fall in the price of the Covered Bonds, resulting in a capital loss for the Covered Bondholders. However, the Covered Bondholders may reinvest the interest payments at higher prevailing

interest rates. Conversely, when interest rates fall, the price of the Covered Bonds may rise. The Covered Bondholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

Implementation of the final set of Basel III reforms may affect the capital requirements and/or liquidity associated with a holding of the Covered Bonds for certain investors.

Regulated institutions may be subject to capital adequacy and liquidity standards under Basel III (which may be incorporated into local legislation by the MAS or other regulators). These requirements can include, amongst others, capital adequacy requirements and liquidity coverage requirements.

From 1 July 2024, the revised MAS Notice 637 which implements the final Basel III reforms in Singapore has come into effect. These revisions may have an impact on the capital requirements in respect of holdings of the Covered Bonds and/or on incentives to hold the Covered Bonds for investors that are subject to requirements that follow the revised framework and, as a result, they may affect the liquidity and/or value of the Covered Bonds.

In general, investors should consult their own advisers as to the regulatory capital and liquidity requirements in respect of the Covered Bonds and as to the consequences for and effect on them of any changes to the Basel framework and the relevant implementing measures. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

Risks Relating to Renminbi-Denominated Covered Bonds

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

The Renminbi is not freely convertible and there are regulations on remittance of Renminbi into and outside the PRC which may adversely affect the liquidity of RMB Covered Bonds.

The Renminbi is not freely convertible at present. The PRC government (the "**PRC government**") continues to regulate conversion between the Renminbi and foreign currencies, including the Hong Kong dollar, despite the reduction of regulation over the years by the PRC government in respect of trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. This represents a current account activity.

Remittance of Renminbi by foreign investors into the PRC for the purposes of capital account items, such as capital contributions, debt financing and securities investment, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filing with, the relevant authorities and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are developing gradually.

Although the People's Bank of China ("**PBOC**") has implemented policies improving accessibility to Renminbi to settle cross-border transactions in the past, there is no assurance that the PRC government will continue to liberalise cross-border RMB remittances in the future, that any pilot schemes for Renminbi cross-border utilisation will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of regulating or eliminating the remittance of Renminbi into or outside the PRC. In the event that funds cannot be repatriated outside the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of the Issuer to source Renminbi to finance its obligations under the RMB Covered Bonds.

Holders of beneficial interests in the RMB Covered Bonds may be required to provide certifications and other information (including Renminbi account information) in order to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong.

Each investor should consult its own advisers to obtain a more detailed explanation of how the PRC regulations and rules may affect their investment decisions.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of RMB Covered Bonds and the Issuer's ability to source Renminbi outside the PRC to service such RMB Covered Bonds.

As a result of the regulations imposed by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited. The PBOC has established a Renminbi clearing and settlement system with financial institutions in other major global financial centres (each an "RMB Clearing Bank") through settlement agreements (the "Settlement Agreements") with each such financial institution to act as the RMB Clearing Bank in the relevant designated financial centre, and has established the Cross-Border Inter-Bank Payments System ("CIPS") to facilitate cross-border Renminbi settlement.

However, the current size of Renminbi-denominated financial assets outside the PRC is limited. There are regulations imposed by the PBOC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Renminbi business participating banks do not have direct Renminbi liquidity support from the PBOC. They are only allowed to square their open positions with the relevant RMB Clearing Bank after consolidating the Renminbi trade position of banks outside of the Renminbi business participating financial centres that are in the same bank group of the participating banks concerned with their own trade position and the relevant RMB Clearing Bank only access to onshore liquidity support from PBOC to square open positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross-border trade settlement. The relevant RMB Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In such cases, the participating banks will need to source Renminbi from outside the PRC to square such open positions.

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

Investment in RMB Covered Bonds is subject to exchange rate risks.

The value of Renminbi against U.S. dollars and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and other factors. In August 2015, the PBOC implemented changes to the way it calculates the Renminbi's daily mid-point against U.S. dollars to take into account market-maker quotes before announcing such daily mid-point. This change, and others that may be implemented, may increase the volatility in the value of the Renminbi against foreign currencies. All payments of interest and principal will be made with respect to RMB Covered Bonds in Renminbi save as provided in the terms and conditions in accordance with Condition 6(k) (*Renminbi fallback*). As a result, the value of these Renminbi payments may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against another foreign currency, the value of the investment made by a holder of the RMB Covered Bonds in that foreign currency will decline. If an investor measures its investment returns by reference to a currency other than Renminbi, an investment in the RMB Covered Bonds entails foreign exchange related risks, including possible significant changes in the value of RMB relative to the currency by reference to which an investor measures its investment returns. Depreciation of the Renminbi against such currency could cause a decrease in the effective yield of the RMB Covered Bonds below their stated coupon rates and could result in a loss when the return on the RMB Covered Bonds is translated into such currency. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in RMB Covered Bonds.

Investment in the RMB Covered Bonds is subject to currency risk.

If the Issuer is not able, or it is impracticable for it, to satisfy its obligation to pay interest and principal on the RMB Covered Bonds as a result of Inconvertibility, Non-transferability or Illiquidity (each as defined in the Conditions), the Issuer shall be entitled, on giving not less than five or more than 30 days' irrevocable

notice to the holders of RMB Covered Bonds prior to the due date for payment, to settle any such payment in U.S. dollars or Singapore dollars, as the case may be, on the due date at the U.S. Dollar Equivalent or the Singapore Dollar Equivalent, respectively, of any such Renminbi denominated amount.

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

All payments to investors in respect of RMB Covered Bonds will be made solely:

- (i) when RMB Covered Bonds are represented by global certificates, by transfer to a Renminbi bank account maintained in Hong Kong or Singapore, as the case may be, in accordance with prevailing CMU Rules and procedures or Euroclear rules or Clearstream rules or CDP rules, as the case may be; or
- (ii) when RMB Covered Bonds are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong or Singapore in accordance with prevailing rules and regulations.

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

EXCHANGE RATES

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

Fiscal Year/Period	Singapore Dollars per USD1.00 Mid-Day Rate			
	Average	Low	High	Period End
2021	1.3439	1.3174	1.3709	1.3517
2022	1.3789	1.3431	1.4471	1.3446
2023	1.3431	1.3043	1.3751	1.3186
2024	1.3361	1.2806	1.3668	1.3603
2025	1.3066	1.2728	1.3736	1.2841
Three months ended March 2026	1.2763	1.2611	1.2913	1.2913

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

Month	Singapore Dollars per USD1.00 Mid-Day Rate			
	Average	Low	High	Period End
January 2026	1.2803	1.2611	1.2886	1.2669
February 2026	1.2672	1.2616	1.2743	1.2636
March 2026	1.2793	1.2674	1.2913	1.2913
April 2026 (as of 2 April 2026)	1.2862	1.2861	1.2862	1.2862

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

Exchange Controls

Currently, there are no exchange control restrictions in Singapore.

TERMS AND CONDITIONS OF THE COVERED BONDS

*The following is the text of the terms and conditions (the "**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 Covered Bonds in definitive form (if any) issued in exchange for the Global Covered Bond(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the applicable Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Covered Bonds or on the Certificates relating to such Registered Covered Bonds. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the applicable Pricing Supplement or the Master Definitions Agreement. Those definitions will be endorsed on the Definitive Covered Bonds or Certificates, as the case may be. References in the Conditions to "**Covered Bonds**" are to the Covered Bonds of one Series only, not to all Covered Bonds that may be issued under the Programme.*

The Covered Bonds are constituted by an amended and restated trust deed dated on or about 7 April 2026 (the "**Programme Date**") (as amended or supplemented as at the date of issue of the Covered Bonds (the "**Issue Date**"), the "**Bond Trust Deed**") (and as may be further amended, restated, novated or supplemented) among Standard Chartered Bank (Singapore) Limited (the "**Issuer**"), Banzu Covered Bonds Pte. Ltd. as guarantor (the "**Covered Bond Guarantor**"), The Bank of New York Mellon, London Branch as bond trustee for the holders from time to time of the Covered Bonds (the "**Covered Bondholders**") (the "**Bond Trustee**", which expression shall include all persons for the time being the bond trustee or bond trustees under the Bond Trust Deed) and The Bank of New York Mellon, Singapore Branch as security trustee (the "**Security Trustee**", which expression shall include all persons for the time being the security trustee or the security trustees) and, where applicable, the Covered Bonds 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 12 April 2024 relating to the Covered Bonds executed by the Issuer (as amended, varied or supplemented from time to time, the "**CDP Deed of Covenant**").

These terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Bond Trust Deed, which includes the form of the Covered Bonds, Certificates, Receipts, Coupons and Talons referred to below. The Issuer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee, The Bank of New York Mellon, London Branch as issuing and paying agent in relation to each Series of Covered Bonds (other than CMU Covered Bonds, CDP Covered Bonds and DTC Covered Bonds), The Bank of New York Mellon, Hong Kong Branch in relation to the Covered Bonds to be held in the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority (the "**CMU Service**"), The Bank of New York Mellon, Singapore Branch as paying agent for Covered Bonds to be cleared through the computerised system (the "**CDP System**") operated by CDP, The Bank of New York Mellon as issuing and paying agent for the Covered Bonds to be cleared through The Depository Trust Company ("**DTC**") and the other agents named therein have entered into an amended and restated agency agreement dated on or about 7 April 2026 (as amended or supplemented as at the Issue Date, the "**Agency Agreement**") (and as may be further amended, restated, novated or supplemented). The paying agent in respect of each Series of Covered Bonds (other than CMU Covered Bonds, CDP Covered Bonds and DTC Covered Bonds), the CMU lodging and paying agent, the CDP paying agent, the DTC paying agent, the other paying agents, the exchange agent, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below, respectively, as the "**Paying Agent**", the "**CMU Lodging and Paying Agent**", the "**CDP Paying Agent**", the "**DTC Paying Agent**", the "**Paying Agents**" (which expression shall include the Issuing and Paying Agent, the Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the DTC Paying Agent and such further or other Paying Agent or Agents as may be appointed from time to time under the Agency Agreement), the "**Exchange Agent**", the "**Registrar**", the "**Transfer Agent**" (which expression shall include the Registrars) and the "**Calculation Agent(s)**". The Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent and the DTC Paying Agent are referred to below, collectively as the "**Issuing and Paying Agent**". 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 Covered Bonds) to the Issuing and Paying Agent shall, unless provided otherwise, with respect to a Series of Covered Bonds to be held in the CMU Service, be deemed to be a reference to the CMU Lodging and Paying Agent and all such references shall be construed accordingly. For the purposes of these Conditions, all references to the Issuing and Paying Agent shall, unless provided otherwise, with respect to a Series of Covered Bonds to be held in the CDP, be deemed to be a reference to the CDP Paying Agent and all such references shall be construed accordingly. Upon prior written request

and satisfactory proof of holding to the Bond Trustee or the Paying Agent, copies of the Bond Trust Deed, the Agency Agreement and each other Transaction Document (as defined in the Master Definitions Agreement) are available to Covered Bondholders free of charge during usual business hours at (i) the principal office of the Bond Trustee (presently at 160 Queen Victoria Street, London, EC4V 4LA, United Kingdom) and at the specified offices of the Paying Agents or (ii) electronically via email from the Bond Trustee or the Paying Agent, in each case.

The Covered Bondholders, the holders of the interest coupons (the "**Coupons**") relating to interest-bearing Covered Bonds in bearer form and, where applicable in the case of such Bearer Covered Bonds, 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 Bearer Covered Bonds 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, all the provisions of the Bond Trust Deed and the applicable Pricing Supplement, the Agency Agreement and all other Transaction Documents. The Pricing Supplement for this Covered Bond (or the relevant provisions thereof) is attached to or endorsed on this Covered Bond. References to "**applicable Pricing Supplement**" are to the Pricing Supplement (or relevant provisions thereof) attached to or endorsed on this Covered Bond.

As used in these Conditions, "**Tranche**" means Covered Bonds which are identical in all respects and "**Series**" means a series of Covered Bonds 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.

The Covered Bond Guarantor has, in the Bond Trust Deed, irrevocably and unconditionally guaranteed the due and punctual payment of Guaranteed Amounts in respect of the Covered Bonds as and when the same shall become due for payment on certain dates in accordance with the Bond Trust Deed ("**Due for Payment**") following:

- (a) an Issuer Event of Default and service by the Bond Trustee of an Issuer Acceleration Notice on the Issuer and a Notice to Pay on the Covered Bond Guarantor; or
- (b) the occurrence of a Covered Bond Guarantor Event of Default and service by the Bond Trustee of a Covered Bond Guarantor Acceleration Notice on the Issuer and the Covered Bond Guarantor.

The security for the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee has been created pursuant to, and on the terms set out in, an amended and restated Singapore deed of charge dated on or about 7 April 2026 and an amended and restated English law governed security trust deed dated on or about 7 April 2026 (such deeds as amended and/or supplemented and/or restated from time to time, the "**Deeds of Charge**"), each made among, *inter alios*, the Covered Bond Guarantor, the Bond Trustee and the Security Trustee.

Capitalised terms used but not defined in these Conditions have the meanings given to them in:

- (i) the applicable Pricing Supplement; or
- (ii) the amended and restated master definitions agreement dated on or about 7 April 2026 (as may be further amended, restated, novated or supplemented) among, *inter alios*, the Issuer, the Bond Trustee and the Security Trustee (the "**Master Definitions Agreement**"); or
- (iii) the Bond Trust Deed.

These Conditions shall be construed and interpreted in accordance with the principles of construction and interpretation set out in the Bond Trust Deed.

1. **Form, Denomination and Title**

The Covered Bonds are issued in bearer form ("**Bearer Covered Bonds**") or in registered form ("**Registered Covered Bonds**"), in each case in the Specified Denomination(s) shown hereon.

All Registered Covered Bonds shall have the same Specified Denomination. Unless otherwise permitted by the then current laws and regulations, those Registered Covered Bonds 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 UK or whose issue otherwise constitutes a contravention of Section 19 of the Financial Services and Markets Act 2000 will have a minimum denomination of GBP 100,000 (or its equivalent in other currencies). Covered Bonds sold in reliance on Rule 144A will be in minimum denominations of USD200,000 (or its equivalent in other currencies) and integral multiples of USD1,000 (or its equivalent in other currencies) in excess thereof, subject to compliance with all legal and/or regulatory requirements applicable to the relevant currency. Covered Bonds which are listed on the Singapore Exchange Securities Trading Limited or any successor thereto (the "SGX-ST") will be traded on the SGX-ST in a minimum board lot size of SGD200,000 (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 Covered Bonds which are (i) to be admitted to trading on a regulated market within the European Economic Area (the "EEA") or (ii) offered to the public in a Member State of the EEA in circumstances which require the publication of a prospectus under Regulation (EU) 2017/1129, the minimum Specified Denomination shall be EUR 100,000 (or its equivalent in any other currency as at the date of issue of the relevant Covered Bonds). In the case of any Covered Bonds which are to be admitted to trading on a regulated market in the United Kingdom ("UK") in circumstances which require the publication of a prospectus under the rules in the FCA Handbook Prospectus Rules: Admission to Trading on a Regulated Market sourcebook, the minimum Specified Denomination shall be GBP 50,000 (or its equivalent in any other currency as at the date of issue of the relevant Covered Bonds) unless the Covered Bonds otherwise fall within an exception from the prohibition on offers to the public (as set out in Schedule 1 of the Public Offers and Admissions to Trading Regulations 2024).

Each Covered Bond may be a Fixed Rate Covered Bond, a Floating Rate Covered Bond, a Zero Coupon Covered Bond, or a combination of any of the foregoing or any other kind of Covered Bond, depending upon the Interest and Redemption/Payment Basis shown thereon and subject, in the case of a Covered Bond which is a Zero Coupon Covered Bond, to confirmation from the Rating Agencies that the then current ratings of any outstanding Series of Covered Bonds will not be adversely affected by the issuance of this Covered Bond.

Bearer Covered Bonds are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Covered Bonds, 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 Covered Bond the nominal amount of which is redeemable in instalments is issued with one or more Receipts attached.

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

Title to the Bearer Covered Bonds and to the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Covered Bonds shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar (the "**Register**"). The Issuer may appoint a registrar (the "**Alternative Registrar**") in accordance with the provisions of the Agency Agreement other than the Registrar in relation to any Series comprising Registered Covered Bonds. In these Conditions, "**Registrar**" includes, if applicable, in relation to any Series comprising Registered Covered Bonds, the Registrar or, as the case may be, the Alternative Registrar, as specified hereon. Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Covered Bond, 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, "**Covered Bondholder**" means the bearer of any Bearer Covered Bond and the Receipts relating to it or the person in whose name a Registered Covered Bond is registered (as the case may be), "**holder**" (in relation to a Covered Bond, Receipt, Coupon or Talon) means the bearer of any Bearer Covered Bond, Receipt, Coupon or Talon or the person in whose name a Registered Covered Bond is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Covered Bonds.

References in the Conditions to Coupons, Talons, Couponholders, Receipts and Receiptholders relate to Bearer Covered Bonds only.

2. **No Exchange of Covered Bonds and Transfers of Registered Covered Bonds**

- (a) **No Exchange of Covered Bonds:** Registered Covered Bonds may not be exchanged for Bearer Covered Bonds. Bearer Covered Bonds of one Specified Denomination may not be exchanged for Bearer Covered Bonds of another Specified Denomination. Bearer Covered Bonds may not be exchanged for Registered Covered Bonds.
- (b) **Transfer of Registered Covered Bonds:** One or more Registered Covered Bonds may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Covered Bonds 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 reasonably 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 Covered Bonds 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 Covered Bonds and entries on the Register will be made subject to the detailed regulations concerning transfers of Covered Bonds scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Bond Trustee and the Registrar. A copy of the current regulations will be made available by the Registrar to any Covered Bondholder upon request.
- (c) **Exercise of Options or Partial Redemption in Respect of Registered Covered Bonds:** In the case of an exercise of an Issuer's or Covered Bondholders' option in respect of, or a partial redemption of, a holding of Registered Covered Bonds 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. In the case of a partial exercise of an option resulting in Registered Covered Bonds of the same holding having different terms, separate Certificates shall be issued in respect of those Covered Bonds 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 Transfer Agent. In the case of a transfer of Registered Covered Bonds to a person who is already a holder of Registered Covered Bonds, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to Conditions 2(b) (*Transfer of Registered Covered Bonds*) or 2(c) (*Exercise of Options or Partial Redemption in Respect of Registered Covered Bonds*) shall be available for delivery within five business days of receipt of the request for exchange or form of transfer and surrender of the Certificate for exchange. 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 form of transfer or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).
- (e) **Transfers Free of Charge:** Transfers of Covered Bonds and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment by the relevant Covered Bondholder of any tax or other governmental charges that may be

imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

- (f) **Closed Periods:** No Covered Bondholder may require the transfer of a Registered Covered Bond 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 Covered Bond;
 - (ii) during the period of 15 days prior to any date on which Covered Bonds may be called for redemption by the Issuer at its option pursuant to Condition 5(d);
 - (iii) after any such Covered Bond has been called for redemption; or
 - (iv) during the period of 15 days ending on (and including) any date on which payment is due.

3. **Status of the Covered Bonds; the Covered Bond Guarantee**

- (a) **Status of Covered Bonds:** The Covered Bonds and the Receipts and the Coupons relating to them constitute direct, unsecured and unsubordinated 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 Covered Bonds and the Receipts and the 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, respectively, present and future.
- (b) **The Covered Bond Guarantee:**
- (i) The Covered Bond Guarantor has irrevocably and unconditionally guaranteed the payment of the Guaranteed Amounts (as defined in the Bond Trust Deed) (the "**Covered Bond Guarantee**"). However, the Covered Bond Guarantor shall have no obligation under the Covered Bond Guarantee to pay any Guaranteed Amounts until:
 - (x) the occurrence of an Issuer Event of Default and service by the Bond Trustee of an Issuer Acceleration Notice on the Issuer and of a Notice to Pay on the Covered Bond Guarantor (copied to the Security Trustee); or
 - (y) the occurrence of a Covered Bond Guarantor Event of Default and service by the Bond Trustee of a Covered Bond Guarantor Acceleration Notice on the Issuer and the Covered Bond Guarantor (copied to the Security Trustee).
 - (ii) The obligations of the Covered Bond Guarantor in respect of the Covered Bond Guarantee are contained in the Bond Trust Deed. Any payment made by the Covered Bond Guarantor under the Covered Bond Guarantee shall (unless such obligation shall have been discharged as a result of the payment of Excess Proceeds to the Bond Trustee pursuant to Condition 9) to that extent discharge the obligations of the Issuer in respect of such payment under the Covered Bonds, Receipts and Coupons except where such payment by the Covered Bond Guarantor has been declared void, voidable or otherwise recoverable in whole or in part and recovered from the Bond Trustee or the Covered Bondholders.
 - (iii) As security for the Covered Bond Guarantor's obligations under the Covered Bond Guarantee and the other Transaction Documents to which it is a party, the Covered Bond Guarantor has granted fixed and floating security over all of its assets under the Deeds of Charge in favour of the Security Trustee (for itself and on behalf of the other Secured Creditors).

4. **Interest and other Calculations**

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

- (a) **Interest on Fixed Rate Covered Bonds:** Each Fixed Rate Covered Bond bears 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).
- (b) **Interest on Floating Rate Covered Bonds:**
 - (i) *Interest Payment Dates:* Each Floating Rate Covered Bond bears 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). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon 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.
 - (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is:
 - (A) the Floating Rate Business Day Convention, such date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Pricing Supplement as the Specified Period after the calendar month in which the preceding such date occurred provided, however, that:
 - (x) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
 - (y) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
 - (z) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred;
 - (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day;
 - (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby

fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day; or

- (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

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

(A) ISDA Determination for Floating Rate Covered Bonds

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period or Interest Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this paragraph (A), "**ISDA Rate**" for an Interest Period or Interest 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:

- (x) the Floating Rate Option is as specified hereon;
- (y) if applicable, the Designated Maturity is a period specified hereon;
- (z) if applicable, the relevant Reset Date is the first day of that Interest Period unless otherwise specified hereon; and
- (aa) if applicable, the Overnight Rate Compounding Method and the applicable number of business days for Lookback, Observation Period Shift, or Lockout as specified hereon; and
- (bb)
 - (1) Administrator/Benchmark Event shall be disappplied; and
 - (2) if the Temporary Non-Publication Fallback for any specified Floating Rate Option is specified to be "Temporary Non-Publication Fallback – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication Fallback – Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate".

For the purposes of this paragraph (A), "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity", "Overnight Rate Compounding Method", "Lookback", "Observation Period Shift", "Lockout", "Reset Date", "Swap Transaction", "Administrator/ Benchmark Event" and "Temporary Non-Publication Fallback" have the meanings given to those terms in the ISDA Definitions.

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

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

(i) the offered quotation; or

(ii) 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 EURIBOR or Hong Kong time in the case of 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 Covered Bonds is specified hereon as being other than EURIBOR or HIBOR, the Rate of Interest in respect of such Covered Bonds will be determined as provided hereon;

(y) If the Relevant Screen Page is not available or if sub-paragraph (x)(i) above applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(ii) above 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 (or an independent adviser appointed by it) 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 Issuer (or an independent adviser appointed by it) 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 (or an independent adviser appointed by it) with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean of such offered quotations as notified to and determined by the Calculation Agent; and

(z) If paragraph (y) above 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 (or an independent adviser appointed by it) 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 interbank market, or if the Reference Rate is HIBOR, the Hong Kong interbank market, as the case may be, or, if fewer than two of the Reference Banks provide the Issuer (or an independent adviser appointed by it) 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 Issuer (or an independent adviser appointed by it) it is quoting to leading banks in, if the Reference Rate is EURIBOR, the Euro-zone interbank market, or if the Reference Rate is HIBOR, the Hong Kong interbank market, as the case may be, **provided that**, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be 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 Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period).

- (C) Screen Rate Determination for Floating Rate Covered Bonds where the Reference Rate is specified as being SORA Benchmark

For each Floating Rate Covered Bond where the Reference Rate is specified as being SORA Benchmark, the Rate of Interest for each Interest Period will, subject as provided below, be equal to the relevant SORA Benchmark plus or minus (as indicated in the applicable Pricing Supplement) 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(j)(iii):

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

"Compounded Daily SORA" means, with respect to an Interest Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest 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 nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SORA_{i-xSBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

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

"**d₀**", for any Interest Period, is the number of Singapore Business Days in the relevant Interest Period;

"**i**", for the relevant Interest Period, is a series of whole numbers from one to **d₀**, each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to the last Singapore Business Day in such Interest Period;

"Interest Determination Date" means, with respect to a Rate of Interest and Interest Period, the date falling one Singapore Business Day (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) after the end of each Observation Period;

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

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

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

"SORA" means, in respect of any Singapore Business Day "i", a reference rate equal to the daily Singapore Overnight Rate Average 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 <https://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) on the Singapore Business Day immediately following such Singapore Business Day "i"; and

"SORA_{i-xSBD}" means, in respect of any Singapore Business Day "i" falling in the relevant Interest 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 as specified in the applicable Pricing Supplement) prior to the relevant Singapore Business Day "i".

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

"Compounded Daily SORA" means, with respect to an Interest Period, the rate of return of a daily compound interest investment during the Observation Period corresponding to such Interest 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 nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SORA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

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

"d₀", for any Interest Period, is the number of Singapore Business Days in the relevant Observation Period;

"i", for the relevant Interest Period, is a series of whole numbers from one to d₀, 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 Period, the date falling one Singapore Business Day (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) after the end of each Observation Period;

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

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

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

"SORA" means, in respect of any Singapore Business Day " i ", a reference rate equal to the daily Singapore Overnight Rate Average 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 <https://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) on the Singapore Business Day immediately following such Singapore Business Day " i "; and

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

- (3) Where SORA Payment Delay is specified in the applicable Pricing Supplement:

"Compounded Daily SORA" means, with respect to an Interest Period, the rate of return of a daily compound interest investment during such Interest 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 nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SORA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

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

" d_0 ", for any Interest Period, is the number of Singapore Business Days in the relevant Interest Period;

" i ", for the relevant Interest Period, is a series of whole numbers from one to d_0 , each representing the relevant Singapore Business Days in chronological order from, and including, the first Singapore Business Day in such Interest Period to the last Singapore Business Day in such Interest Period;

"Interest Determination Date" means, with respect to a Rate of Interest and Interest Period, the date falling one Singapore Business Day after the end of each Interest Period, **provided that** the Interest Determination Date with respect to the final Interest Period will be the SORA Rate Cut-Off Date;

"Interest Payment Date" shall be the date falling the number of Business Days equal to the Interest Payment Delay following each Interest Payment Date; **provided that** (i) the Interest Payment Date with respect to the Interest Period ending on the Maturity Date will be the Maturity Date, (ii) the Interest Payment Date with respect to any Interest Period ending on the Extended Due for Payment Date in respect of a Series of Covered Bonds which are subject to an Extended Due for Payment Date (as specified in the applicable Pricing Supplement) will be the Extended Due for Payment Date or, (iii) if the Issuer elects to redeem the Covered Bonds prior to the Maturity Date or, if applicable, the Extended Due for Payment Date, the Interest Payment Date will be the relevant redemption date;

"Interest Payment Delay" means five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement);

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

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

"SORA" means, in respect of any Singapore Business Day " i ", a reference rate equal to the daily Singapore Overnight Rate Average 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 <https://www.mas.gov.sg>, or any successor website officially designated by the Monetary Authority of Singapore (or as published by its authorised distributors) on the Singapore Business Day immediately following such Singapore Business Day " i ";

"SORA_i" means, in respect of any Singapore Business Day falling in the relevant Interest Period, the reference rate equal to SORA in respect of that Singapore Business Day " i "; and

"SORA Rate Cut-Off Date" means the date that is a number of Singapore Business Days prior to the end of each Interest Period, the Maturity Date, the Extended Due for Payment Date (where specified as applicable in the relevant Pricing Supplement) or

the relevant redemption date, as applicable, as specified in the applicable Pricing Supplement.

For the purposes of calculating Compounded Daily SORA with respect to the Interest Period ending on the Maturity Date, the Extended Due for Payment Date (where specified as applicable in the relevant Pricing Supplement), or the redemption date, the level of SORA for each Singapore Business Day in the period from (and including) the SORA Rate Cut-Off Date to (but excluding) the Maturity Date, the Extended Due for Payment Date (where specified as applicable in the relevant Pricing Supplement) or the relevant redemption date, as applicable, shall be the level of SORA in respect of such SORA Rate Cut-Off Date.

- (y) For each Floating Rate Covered Bond where the Reference Rate is specified as being SORA Index Average ("**SORA Index Average**"), the SORA Benchmark for each Interest Period shall be equal to the value of the SORA rates for each day during the relevant Interest Period as calculated by the Calculation Agent on the relevant Interest Determination Date as follows:

$$\left(\frac{SORA\ Index_{End}}{SORA\ Index_{Start}} - 1 \right) \times \left(\frac{365}{d_c} \right)$$

and the resulting percentage being rounded if necessary to the nearest one ten-thousandth of a percentage point (0.0001%), with 0.00005% being rounded upwards, where:

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

"**Singapore Business Days**" means any 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 [https:// www.mas.gov.sg](https://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, however, that in the event that the value originally published is subsequently corrected and such corrected value is published by the Monetary Authority of Singapore, as the administrator of SORA (or any successor administrator of SORA) on the original date of publication, then such corrected value, instead of the value that was originally published, shall be deemed the SORA Index value in relation to such Singapore Business Day; or 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 Period, in accordance with the Compounded Daily SORA formula described above in Condition 4(b)(iii)(C)(x)(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 Period that is used in the definition of SORA Index_{Start} as specified in the applicable Pricing Supplement; or

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

"SORA Index_{End}" means the SORA Index value on the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the Interest Payment Date relating to such Interest Period;

"SORA Index_{Start}" means the SORA Index value on the date falling five Singapore Business Days (or such other number of Singapore Business Days as specified in the applicable Pricing Supplement) preceding the first date of the relevant Interest 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.

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

- (aa) If 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(j)(iii), 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 Period from that which applied to the last preceding Interest 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 Period in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest 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 Covered Bonds for the first Interest Period had the Covered Bonds been in issue for a period equal in duration to the scheduled first Interest 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 Period).

(bb) If the relevant Series of Covered Bonds becomes due and payable in accordance with Condition 9, 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 Covered Bonds 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 Covered Bonds shall, for so long as any such Covered Bond remains outstanding, be that determined on such date.

(D) Screen Rate Determination for Floating Rate Covered Bonds where the Reference Rate is specified as being SONIA Benchmark

For each Floating Rate Covered Bond where the Reference Rate is specified as being SONIA Benchmark, the Rate of Interest for each Interest 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 Average, as follows (subject in each case to Condition 4(j)(i)):

(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 Period, the rate of return of a daily compound interest investment during the SONIA Observation Period corresponding to such Interest Period (with the daily Sterling Overnight Index Average ("**SONIA**") 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 relevant 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:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SONIA_{i-xLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

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

- (x) where "SONIA Observation Lag" is specified as the SONIA Observation Method in the applicable Pricing Supplement, the relevant Interest Period; or
- (y) where "SONIA Observation Shift" is specified as the SONIA Observation Method in the applicable Pricing Supplement, the relevant SONIA Observation Period;

"**d₀**" means:

- (x) 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 Period;
or

- (y) 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 a series of whole numbers from one to d_0 , each representing the relevant London Business Day in chronological order from (and including):

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

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

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

"SONIA_{i-x}LBD" means:

- (x) 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
- (y) 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 London Business Day "**i**";

"SONIA Observation Period" means the period from (and including) the date falling "**x**" London Business Days prior to the first day of the relevant Interest Period (and the first Interest 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 Period (or the date falling "**x**" London Business Days prior to such earlier date, if any, on which the Covered Bonds become due and payable);

"SONIA Reference Rate" means, in respect of any London Business Day, a reference rate equal to the daily Sterling Overnight Index Average (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:

- (x) where "SONIA Observation Lag" is specified as the SONIA Observation Method in the applicable Pricing Supplement, five London Business Days (or such other number of London Business Days in the SONIA Observation Period as specified in the applicable Pricing Supplement); or
 - (y) where "SONIA Observation Shift" is specified as the SONIA Observation Method in the applicable Pricing Supplement, five London Business Days (or such other number of London Business Days in the SONIA Observation Period as specified in the applicable Pricing Supplement).
- (y) If SONIA Index Average ("**SONIA Index Average**") is specified in the applicable Pricing Supplement as the relevant SONIA Benchmark, the SONIA Benchmark for each Interest Period shall be equal to the rate of return of a daily compound interest investment during the SONIA Observation Period corresponding to such Interest Period (with the daily Sterling Overnight Index Average (SONIA) as reference rate for the calculation of interest) as will be calculated by the Calculation Agent on the relevant Interest Determination Date as follows, and the resulting percentage being rounded if necessary to the fifth decimal place, with 0.000005% being rounded upwards:

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

subject to Condition 4(j)(i), if the SONIA Compounded Index Value is not available in relation to any Interest Period on the Relevant Screen Page for the determination of either SONIA Compounded Index_{START} or SONIA Compounded Index_{END}, the Rate of Interest shall be calculated for such Interest Period on the basis of Compounded Daily SONIA (as set out in Condition 4(b)(iii)(D)(x)) and where "SONIA Observation Shift" is specified as the SONIA Observation Method.

Where:

"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;

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

"SONIA Compounded Index" means the index known as the SONIA Compounded Index administered by the Bank of England (or any successor administrator thereof);

"SONIA Compounded Index_{START}" means the SONIA Compounded Index Value on the date which is "x" London Business Days preceding the first day of the relevant Interest Period (or in the first Interest Period, the Issue Date);

"SONIA Compounded Index_{END}" means the SONIA Compounded Index Value on the date which is "x" London Business Days preceding:

- (i) the Interest Payment Date for the relevant Interest Period,
- (ii) in the final Interest Period, the Maturity Date (in the case of a final Interest Period ending on the Maturity Date) or the Extended Due for Payment Date (in the case of a final Interest Period ending on the Extended Due for Payment Date), or
- (iii) the date on which the relevant Series of Covered Bonds becomes due and payable;

"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 <https://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 provided, however, that in the event that the value originally published is subsequently corrected and such corrected value is published by the Bank of England, as the administrator of SONIA (or any successor administrator of SONIA) on the original date of publication, then such corrected value, instead of the value that was originally published, shall be deemed the SONIA Compounded Index value in relation to such London Banking Day; and

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

- (z) If, subject to Condition 4(j)(i), in respect of any London Business Day in the relevant 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(j)(i), in the event the Bank of England publishes guidance as to:

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

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

- (aa) If 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(j)(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 Period from that which applied to the last preceding Interest 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 Period in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest 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 Covered Bonds for the first Interest Period had the Covered Bonds been in issue for a period equal in duration to the scheduled first Interest 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 Period).

- (bb) If the relevant Series of Covered Bonds becomes due and payable in accordance with Condition 9, 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 Covered Bonds became due and payable (with corresponding adjustments being deemed to be made to the applicable SONIA Benchmark formula) and the Rate of Interest on such Covered Bonds shall, for so long as any such Covered Bond remains outstanding, be that determined on such date.

- (E) Screen Rate Determination for Floating Rate Covered Bonds where the Reference Rate is specified as being SOFR Benchmark

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

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

- (x) If Compounded Daily SOFR ("**Compounded Daily SOFR**") is specified in the applicable Pricing Supplement, the SOFR Benchmark for each Interest Period shall be equal to the value of the SOFR rates for each day during the relevant Interest Period (where "SOFR Observation Lag" or "SOFR Payment Delay" is specified in the applicable Pricing Supplement to determine Compounded Daily SOFR) or 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 on the relevant Interest Determination Date in accordance with the relevant formula referenced below (to be specified in the applicable Pricing Supplement):

- (i) *SOFR Observation Lag:*

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{SOFR_{i-xUSBD} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

and the resulting percentage being rounded if necessary to the fifth decimal place, with 0.000005% being rounded upwards, where:

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

"**d₀**" means the number of U.S. Government Securities Business Days in the relevant Interest Period;

"**i**" means a series of whole numbers ascending from one to **d₀**, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Period (each a "**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);

"**n_i**" for any U.S. Government Securities Business Day(i), 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; and

"**SOFR_{i-xUSBD}**" for any U.S. Government Securities Business Day(i) in the relevant Interest 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).

(ii) *SOFR Observation Shift:*

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

and the resulting percentage being rounded if necessary to the fifth decimal place, with 0.000005% being rounded upwards, where:

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

"**d_o**" 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 (each a "**U.S. Government Securities Business Day(i)**");

"**n_i**" for any U.S. Government Securities Business Day(i), 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;

"**SOFR Observation Period**" means, in respect of an Interest Period, the period from (and including) the date falling the number of SOFR Observation Shift Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and to (but excluding) the date falling the number of SOFR Observation Shift Days prior to the Interest Payment Date at the end of such Interest Period (or the date falling the number of SOFR Observation Shift Days prior to such earlier date, if any, on which the Covered Bonds become due and payable);

"**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

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

(iii) *SOFR Payment Delay:*

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

and the resulting percentage being rounded if necessary to the fifth decimal place, with 0.000005% being rounded upwards, where:

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

"d₀" means the number of U.S. Government Securities Business Days in the relevant Interest Period;

"i" means a series of whole numbers ascending from one to d₀, representing each relevant U.S. Government Securities Business Day from (and including) the first U.S. Government Securities Business Day in the relevant Interest Period (each a "U.S. Government Securities Business Day(i)");

"Interest Payment Date" shall be the date falling the number of Business Days equal to the Interest Payment Delay following each Interest Payment Date; **provided that** (i) the Interest Payment Date with respect to the final Interest Period ending on the Maturity Date will be the Maturity Date, (ii) the Interest Payment Date with respect to any Interest Period ending on the Extended Due for Payment Date in respect of a Series of Covered Bonds which are subject to an Extended Due for Payment Date (as specified in the applicable Pricing Supplement) will be the Extended Due for Payment Date, or (iii) if the Issuer elects to redeem the Covered Bonds prior to the Maturity Date or, if applicable, the Extended Due for Payment Date, the Interest Payment Date will be the relevant redemption date;

"Interest Payment Delay" 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);

"Interest Determination Date" means the Interest Payment Date at the end of each Interest Period, **provided that** the Interest Determination Date with respect to the final Interest Period will be the SOFR Rate Cut-Off Date;

"n_i", for any U.S. Government Securities Business Day(i), 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;

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

"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 Period, the Maturity Date, the Extended Due for Payment Date (where specified as applicable in the relevant Pricing Supplement) or the relevant redemption date, as applicable, as specified in the applicable Pricing Supplement.

For the purposes of calculating Compounded Daily SOFR with respect to the final Interest Period, the level of SOFR 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, the Extended Due for Payment Date (where specified as applicable in the relevant Pricing Supplement) or

the relevant redemption date, as applicable, shall be the level of SOFR in respect of such SOFR Rate Cut-Off Date.

In connection with the SOFR provisions set out in this Condition 4(b)(iii)(E)(x), the following definitions apply:

"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 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 rate is reported on the Bloomberg Screen SOFRRATE Page, the Secured Overnight Financing Rate published at the SOFR Determination Time, as such 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;
- (ii) if the 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 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) if the 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(j)(ii) shall apply;

"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 Average (**"SOFR Index Average"**) is specified in the applicable Pricing Supplement, the SOFR Benchmark for each Interest Period shall be equal to the value of the SOFR rates for each day during the relevant Interest Period as calculated by the Calculation Agent on the relevant Interest Determination Date as follows:

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

and the resulting percentage being rounded if necessary to the fifth decimal place, with 0.000005% being rounded upwards, where:

"d_c" means the number of calendar days from (and including) the SOFR Index_{Start} to (but excluding) the SOFR Index_{End};

"SOFR Index" means, in relation to any U.S. Government Securities Business Day, the SOFR Index as published by the SOFR Administrator on the SOFR Administrator's Website at the SOFR Index Determination Time on such U.S. Government Securities Business Day, **provided** however, that in the event that the value originally published is subsequently corrected and such corrected value appears on the Federal Reserve Bank of New York's Website on the original date of publication, then such corrected value, instead of the value that was originally published, shall be deemed the SOFR Index value in relation to such U.S. Government Securities Business Day; or, if the SOFR Index does not so appear at the SOFR Index Determination Time, then:

- (i) if a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have not occurred, the "SOFR Index Average" shall be calculated on any Interest Determination Date with respect to an Interest Period, in accordance with the Compounded Daily SOFR formula described above in Condition 4(b)(iii)(E)(x)(ii) "SOFR Observation Shift", and the term "SOFR Observation Shift Days" shall mean such number of U.S. Government Securities Business Days preceding the first date of a relevant Interest Period as is used for the purposes of the definition of **"SOFR Index_{Start}"** and **"SOFR Index_{End}"**; or
- (ii) if a SOFR Benchmark Transition Event and its related SOFR Benchmark Replacement Date have occurred, the provisions set forth in Condition 4(j)(ii) shall apply;

"SOFR Index_{End}" means 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 as specified in the applicable Pricing Supplement) preceding the Interest Payment Date relating to such Interest Period (or in the final Interest Period, the Maturity Date or the Extended Due for Payment Date (where specified as applicable in the relevant Pricing Supplement), as the case may be);

"SOFR Index_{Start}" means 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 as specified in the applicable Pricing Supplement) preceding the first date of the relevant Interest Period; and

"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 Administrator" means the Federal Reserve Bank of New York (or a successor administrator of SOFR);

"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 Benchmark Replacement Date with respect to the then-current SOFR Benchmark; and

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

- (z) If 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(j)(ii), 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 Period from that which applied to the last preceding Interest 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 Period in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest 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 Covered Bonds for the first Interest Period had the Covered Bonds been in issue for a period equal in duration to the scheduled first Interest 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 Period).
- (aa) If the relevant Series of Covered Bonds becomes due and payable in accordance with Condition 9, 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 Covered Bonds became due and payable (with corresponding adjustments being deemed to be made to the applicable SOFR Benchmark formula) and the Rate of Interest on such Covered Bonds shall, for so long as any such Covered Bond remains outstanding, be that determined on such date.
- (c) **Zero Coupon Covered Bonds:** Where a Covered Bond the Interest Basis of which is specified 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 Covered Bond. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Covered Bond shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 5(b)(i)(B)).
- (d) **Accrual of Interest:** Interest shall cease to accrue on each Covered Bond 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 7).
- (e) **Interest following a Notice to Pay:** If a Notice to Pay or a Covered Bond Guarantor Acceleration Notice is served on the Covered Bond Guarantor, the Covered Bond Guarantor shall, in accordance with the terms of the Covered Bond Guarantee, pay Guaranteed Amounts corresponding to the amounts of interest described under this Condition 4 (as the case may be) under the Covered Bond Guarantee in respect of the

Covered Bonds on the Original Due for Payment Dates and, if applicable, the Extended Due for Payment Date.

- (f) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding:**
- (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest 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 Periods, in the case of (y), calculated in accordance with Condition 4(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
 - (ii) If any Maximum Rate of Interest or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
 - (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the fifth decimal place (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of Japanese yen, which shall be rounded down to the nearest Japanese yen. For these purposes, "**unit**" means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency.
- (g) **Calculations:** The amount of interest payable per calculation amount specified hereon (or, if no such amount is so specified, the Specified Denomination) (the "**Calculation Amount**") in respect of any Covered Bond for any Interest Period shall be equal to the product of the Rate of Interest, the Calculation Amount, and the Day Count Fraction for such Interest Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Period, in which case the amount of interest payable per Calculation Amount in respect of such Covered Bond for such Interest Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest 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 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.
- (h) **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 Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, 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 each Interest Period and the relevant Interest Payment Date 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 Bond Trustee, the Issuer, each of the Paying Agents, the Covered Bondholders, any other Calculation Agent appointed in respect of the Covered Bonds that is to make a further calculation upon receipt of such information and, if the Covered Bonds are listed on a stock exchange and the rules of such exchange or other relevant authority so require, 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 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 Covered Bonds become due and payable under Condition 9, the accrued interest and the Rate of Interest payable in respect of the Covered Bonds shall nevertheless continue to be calculated as previously in accordance with this Condition 4(h) 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.

- (i) **Determination or Calculation by an agent of the Issuer:** If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest 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, 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 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(i) shall (in the absence of manifest error) be final and binding upon all parties.

(j) **Benchmark Discontinuation**

- (i) Benchmark Discontinuation (General)

Notwithstanding the provisions above in this Condition 4, where the Pricing Supplement specifies this Condition 4(j)(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(j)(i)(B) and, in either case, an Adjustment Spread (in accordance with Condition 4(j)(i)(C)) and any Benchmark Amendments (in accordance with Condition 4(j)(i)(D)).

In making such determination, the Independent Adviser appointed pursuant to this Condition 4(j)(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 Bond Trustee, the Security Trustee, the Paying Agents, or the Covered Bondholders for any determination made by it, pursuant to this Condition 4(j)(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(j)(i)(A) prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Covered Bonds in respect of the immediately preceding Interest 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 Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 4(j)(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 Covered Bonds (subject to the operation of this Condition 4(j)(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 Covered Bonds (subject to the operation of this Condition 4(j)(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(j)(i) and the Independent Adviser (in consultation with the Issuer) determines:

- (i) that amendments to these Conditions and/or the Bond 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(j)(i)(E), without any requirement for the consent or approval of Covered Bondholders, the Bond Trustee, the Security Trustee or the Agents, vary these Conditions and/or the Bond 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 Bond Trustee and the Security Trustee of a certificate signed by two authorised signatories of the Issuer pursuant to Condition 4(j)(i)(E), the Bond Trustee and the Security Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Covered Bondholders, 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 Bond Trust Deed), **provided that** the Bond Trustee and the Security Trustee shall not be obliged so to concur if in the opinion of the Bond Trustee or the Security Trustee doing so would impose more onerous obligations upon them or expose them to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Bond Trustee and the Security Trustee in these Conditions or the Bond Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

For the avoidance of doubt, the Bond Trustee, the Security Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Bond Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 4(j)(i)(D). Covered Bondholders' 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 Bond Trustee, the Security Trustee or the Issuing and Paying Agent (if required). Further, none of the Bond Trustee, the Security 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(j)(i)(D), the Issuer shall comply with the rules of any stock exchange on which the Covered Bonds are for the time being listed or admitted to trading.

(E) Notices

The occurrence of a Benchmark Event shall be determined by the Issuer and any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(j)(i) will be notified promptly by the Issuer to the Bond Trustee, the Security Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 15, the Covered Bondholders or the Couponholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any. For the avoidance of doubt, neither the Bond Trustee, the Security Trustee, the Calculation

Agent nor the Paying Agents shall have any responsibility for making such determination.

No later than notifying the Covered Bondholders of the same, the Issuer shall deliver to the Bond Trustee and the Security Trustee a certificate signed by two authorised signatories of the Issuer:

- (i) 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(j)(i); and
- (ii) 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 Bond Trustee and the Security 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 Bond Trustee's or the Security Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Bond Trustee, the Security Trustee, the Calculation Agent, the Paying Agents, the Covered Bondholders and Couponholders.

(F) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Condition 4(j)(i)(A), 4(j)(i)(B), 4(j)(i)(C) and 4(j)(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(j)(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(j)(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 Covered Bonds;

"Benchmark Amendments" has the meaning given to it in Condition 4(j)(i)(D);

"Benchmark Event" means:

- (i) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or
- (ii) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will, be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Covered Bonds or any Transaction Documents; 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 Covered Bondholder using the Original Reference Rate,

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

"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(j)(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 Covered Bonds;

"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; and

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

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

This Condition 4(j)(ii) shall only apply to U.S. dollar-denominated Covered Bonds where so specified in the relevant Pricing Supplement.

Notwithstanding the provisions above in this Condition 4, where the Pricing Supplement specifies this Condition 4(j)(ii) as applicable:

(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 Covered Bonds 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 Bond Trustee, the Security Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, but subject to receipt by the Bond Trustee and the Security Trustee of a certificate signed by two authorised signatories of the Issuer confirming that a Benchmark Event has occurred, be obliged to concur with the Issuer in effecting such consequential amendments to the Bond Trust Deed, the Agency Agreement and these Conditions as may be required to give effect to this Condition 4(j)(ii)(B), **provided that** the Bond Trustee and the Security Trustee shall not be obliged so to concur if in the opinion of the Bond Trustee and the Security Trustee doing so would impose more onerous obligations upon them or expose them to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Bond Trustee and the Security Trustee in these Conditions or the Bond Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way. Covered Bondholders' consent shall not be required in connection with the effecting of any such changes, including the execution of any documents or any steps by the Bond Trustee, the Security Trustee or the Issuing and Paying Agent (if required). Further, none of the Bond Trustee, the Security 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(j)(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 will be conclusive and binding absent manifest error, will be made in the sole discretion of the Issuer or its designee, as applicable and notwithstanding anything to the contrary in the documentation relating to the Covered Bonds, shall become effective without consent from Covered Bondholders or any other party.

(D) Definitions

As used in this Condition 4(j)(ii):

"Benchmark" means, initially, the relevant SOFR Benchmark specified in the applicable Pricing Supplement (or any daily published component used in the calculation thereof); **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 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:
 - (x) 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
 - (y) the Benchmark Replacement Adjustment;
- (ii) the sum of:
 - (x) the ISDA Fallback Rate; and
 - (y) the Benchmark Replacement Adjustment; or
- (iii) the sum of:
 - (x) 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

- (y) 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) that 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 determines 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-clauses (i) or (ii) of the definition of "Benchmark Event," the later of:
 - (x) the date of the public statement or publication of information referenced therein; and
 - (y) 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-clause (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 Definitions" means the latest version of the 2021 ISDA Interest Rate Derivatives Definitions, including any Matrices referred to therein, published by the International Swaps and Derivatives Association, Inc. as at the Issue Date of the first Tranche of the Covered Bonds unless otherwise specified in the applicable Pricing Supplement;

"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:

- (i) 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 the SOFR Index Determination Time (where SOFR Index Average is specified as applicable in the applicable Pricing Supplement); or
- (ii) 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 Benchmark Replacement excluding the Benchmark Replacement Adjustment.

- (iii) Benchmark Discontinuation (SORA)

This Condition 4(j)(iii) shall only apply to Singapore dollar-denominated Covered Bonds where so specified in the relevant Pricing Supplement.

Notwithstanding the provisions above in this Condition 4, where the Pricing Supplement specifies this Condition 4(j)(iii) as applicable:

- (A) Independent Adviser

Notwithstanding the provisions above in this Condition 4(j), if a SORA Index Cessation Event occurs in relation to an Original Reference Rate prior to the relevant Interest Determination Date when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine the Benchmark Replacement (in accordance with Condition 4(j)(iii)(B) and an Adjustment Spread, if any (in accordance with Condition 4(j)(iii)(C)), and any Benchmark

Amendments (in accordance with Condition 4(j)(iii)(D) by the relevant Interest Determination Date.

An Independent Adviser appointed pursuant to this Condition 4(j)(iii) as an expert shall act in good faith and in a commercially reasonable manner 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 Bond Trustee, the Security Trustee, the Issuing and Paying Agent, the Covered Bondholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 4(j)(iii).

If the Issuer is unable to appoint an Independent Adviser after using its reasonable endeavours, or the Independent Adviser fails to determine a Benchmark Replacement prior to the relevant Interest Determination Date, the Issuer (acting in good faith and in a commercially reasonable manner) may determine the Benchmark Replacement (in accordance with Condition 4(j)(iii)(B) and an Adjustment Spread if any (in accordance with Condition 4(j)(iii)(C)) and any Benchmark Amendments (in accordance with Condition 4(j)(iii)(D)).

If the Issuer is unable to determine the Benchmark Replacement prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Covered Bonds in respect of the immediately preceding Interest 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 Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, the first paragraph of this Condition 4(j)(iii)(A).

(B) Benchmark Replacement

The Benchmark Replacement determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(j)(iii)(A) shall (subject to adjustment as provided for in Condition 4(j)(iii)(C) 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 Covered Bonds (subject to the operation of this Condition 4(j)(iii)).

(C) Adjustment Spread

If the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(j)(iii)(A)) (as the case may be) determines (i) that an Adjustment Spread is required to be applied to the Benchmark Replacement and (ii) the quantum of, or a formula or methodology for determining such Adjustment Spread, then such Adjustment Spread shall be applied to the Benchmark Replacement.

(D) Benchmark Amendments

If the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(j)(iii)(A)) (as the case may be) determines that (i) Benchmark Amendments are necessary to ensure the proper operation of such Benchmark Replacement and/or Adjustment Spread, and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(j)(iii)(E), without any requirement for the consent or approval of Covered Bondholders, the Bond Trustee, the Security Trustee or the Agents, vary these Conditions, the Bond Trust Deed and/or the Agency Agreement 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 Bond Trustee and the Security Trustee of a certificate signed by two authorised signatories of the Issuer pursuant to Condition 4(j)(iii)(E), the Bond Trustee and the Security Trustee shall (at the expense of the Issuer), without any requirement for the consent or approval of the Bondholders, 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 Bond Trust Deed), **provided that** the Bond Trustee and the Security Trustee shall not be obliged so to concur if in the opinion of the Bond Trustee or the Security Trustee doing so would impose more onerous obligations upon them or expose them to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Bond Trustee and the Security Trustee in these Conditions or the Bond Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

For the avoidance of doubt, the Bond Trustee, the Security Trustee and the Issuing and Paying Agent shall, at the direction and expense of the Issuer, effect such consequential amendments to the Bond Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to this Condition 4(j)(iii)(D). Covered Bondholders' consent shall not be required in connection with the effecting of the Benchmark Replacement or such other changes, including the execution of any documents or any steps by the Bond Trustee, the Security Trustee, the Calculation Agent, the Paying Agents, the Registrars or the Transfer Agents (if required). Further, none of the Bond Trustee, the Security 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 the Independent Adviser 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.

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

(E) Notices etc.

The occurrence of a SORA Index Cessation Event shall be determined by the Issuer and any Benchmark Replacement, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 4(j)(iii) will be notified promptly by the Issuer to the Bond Trustee, the Security Trustee, the Calculation Agent, the Issuing and Paying Agent and, in accordance with Condition 16, the Covered Bondholders. Such notice shall be irrevocable and shall specify the

effective date of the Benchmark Amendments, if any. For the avoidance of doubt, neither the Bond Trustee, the Security Trustee, the Calculation Agent nor the Paying Agents shall have any responsibility for making such determination.

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

- (x) confirming
 - (i) that a SORA Index Cessation Event has occurred;
 - (ii) the Benchmark Replacement; and
 - (iii) where applicable, any Adjustment Spread, and/or the specific terms of the Benchmark Amendments,

in each case as determined in accordance with the provisions of this Condition 4(j)(iii); and
- (y) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Benchmark Replacement and/or Adjustment Spread.

The Bond Trustee and the Security Trustee shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Benchmark Replacement (if any), the Adjustment Spread (if any) 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 Benchmark Replacement (if any), the Adjustment Spread (if any) or the Benchmark Amendments (if any) and without prejudice to the Bond Trustee's and the Security Trustee's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Bond Trustee, the Security Trustee the Calculation Agent, the Paying Agents, the Covered Bondholders and the Couponholders.

(F) Survival of Original Reference Rate

Without prejudice to the obligations of the Issuer under Conditions 4(j)(iii)(A), 4(j)(iii)(B), 4(j)(iii)(C) and 4(j)(iii)(D), the Original Reference Rate and the fallback provisions provided for in Condition 4(j)(iii) will continue to apply unless and until the Calculation Agent has been notified of the Benchmark Replacement, and any applicable Adjustment Spread and Benchmark Amendments, in accordance with Condition 4(j)(iii)(E).

(G) Definitions:

As used in this Condition 4(j)(iii):

"Adjustment Spread" means either a spread (which may be positive, negative or zero), or a formula or methodology for calculating a spread, in either case, which the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(j)(iii)(A)) (as the case may be) determines is required to be applied to the Benchmark Replacement to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Covered Bondholders and Couponholders as a result of the replacement of the Original Reference Rate with the Benchmark Replacement and is the spread, formula or methodology which:

- (i) is formally recommended in relation to the replacement of the Original Reference Rate with the applicable Benchmark Replacement by any Relevant Nominating Body;
- (ii) if the applicable Benchmark Replacement is the ISDA Fallback Rate, is the ISDA Fallback Adjustment; or
- (iii) is determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(j)(iii)(A)) (as the case may be) having given due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the Original Reference Rate; or with the applicable Benchmark Replacement for the purposes of determining rates of interest (or the relevant component part thereof) for the same Interest Period.

"Alternative Rate" means an alternative benchmark or screen rate which the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(j)(iii)(A)) (as the case may be) determines in accordance with Condition 4(j)(iii)(B) has replaced the Original Reference Rate in customary market usage in the international or, if applicable, domestic debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) and in the same currency as the Covered Bonds (including, but not limited to, Singapore Government Bonds).

"Benchmark Amendments" 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) that the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(j)(iii)(A)) (as the case may be) determines may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(j)(iii)(A)) (as the case may be) determines that adoption of any portion of such market practice is not administratively feasible or if the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(j)(iii)(A)) (as the case may be) determines that no market practice for use of such Benchmark Replacement exists, in such other manner as the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(j)(iii)(A)) (as the case may be) determines is reasonably necessary).

"Benchmark Replacement" means the first alternative set forth in the order below that can be determined by the Independent Adviser or the Issuer (in the circumstances set out in Condition 4(j)(iii)(A)) (as the case may be):

- (i) the Successor Rate;
- (ii) the ISDA Fallback Rate; and
- (iii) the Alternative Rate.

"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(j)(iii)(A).

"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 Original Reference Rate for the applicable tenor.

"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 Original Reference Rate for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

"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 Benchmark Replacement.

"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 or endorsed by, chaired or co-chaired by or constituted at the request of:
 - (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates;
 - (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable);
 - (c) a group of the aforementioned central banks or other supervisory authorities; or
 - (d) the Financial Stability Board or any part thereof.

"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 by the administrator of the Original Reference Rate that it has ceased or will, by a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (iii) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been or will, by a specified date, be permanently or indefinitely discontinued; or
- (iv) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has

been prohibited from being used or that its use has been subject to restrictions or adverse consequences, or that it will be prohibited from being used or that its use will be subject to restrictions or adverse consequences by a specified date; or

- (v) a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate is no longer representative or will, by a specified date, be deemed to be no longer representative; or
- (vi) it has become unlawful for the Issuing and Paying Agent, the Calculation Agent, the Issuer or any other party to calculate any payments due to be made to any Covered Bondholder using the Original Reference Rate,

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 to no longer be) representative and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement.

"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).

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

"Business Day" means:

- (i) in the case of Covered Bonds denominated in a currency other than Euro, Renminbi or Singapore dollars, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in London and in the principal financial centre for such currency; and/or
- (ii) in the case of Covered Bonds denominated in Euro, a day on which T2 is operating (a **"T2 Business Day"**) and a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in London and the principal financial centre for such currency; and/or
- (iii) in the case of Covered Bonds denominated in Renminbi:
 - (A) if cleared through the CMU Service, 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) if cleared through the CDP System, 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) if 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

- (iv) in the case of Covered Bonds denominated in Singapore dollars:
 - (A) if cleared through the CDP, a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks settle payments in Singapore; and
 - (B) if 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 currency and/or one or more Financial Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Financial Centre(s) or, if no currency is indicated, generally in each of the Financial Centres.

"Day Count Fraction" means, in respect of the calculation of an amount of interest on any Covered Bond 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, the **"Calculation Period"**):

- (i) if **"Actual/Actual"** or **"Actual/Actual – ISDA"** is specified hereon, 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 hereon, the actual number of days in the Calculation Period divided by 365;
- (iii) if **"Actual/360"** is specified hereon, the actual number of days in the Calculation Period divided by 360;
- (iv) if **"30/360"**, **"360/360"** or **"Bond Basis"** is specified hereon, 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 is 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 is 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (v) if "**30E/360**" or "**Eurobond Basis**" is specified hereon, 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 is 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 is 31, in which case D₂ will be 30;

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

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

where:

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

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

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

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

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

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

- (vii) if "**Actual/Actual – ICMA**" is specified hereon:

- (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:

- (i) the number of days in such Determination Period; and

- (ii) 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:
 - (i) 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
 - (ii) 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 hereon 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.

- (viii) if **"RBA Bond Basis"** is specified in the applicable Pricing Supplement, and 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)).

"CNY" or **"Renminbi"** means the lawful currency of the PRC.

"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 comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

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

"Interest Amount" means:

- (i) in respect of an Interest Period, the amount of interest payable per Calculation Amount for that Interest Period and which, in the case of Fixed Rate Covered Bonds, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest

Payment Date ending the Interest Period of which such Interest 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 hereon.

"Interest Determination Date" means, with respect to a Rate of Interest and Interest Period, the date specified as such hereon or, if none is so specified:

- (i) the first day of such Interest Period if the Specified Currency is Sterling, Hong Kong dollars or Renminbi (and in such case only if the relevant Reference Rate is not SONIA Benchmark, SOFR Benchmark or SORA Benchmark);
- (ii) the day falling two Business Days in the relevant Financial Centre for the Specified Currency prior to the first day of such Interest Period if the Specified Currency is not Sterling, Hong Kong dollars, Euro or 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 Period if the Specified Currency is Euro;
- (iv) (only if the relevant Reference Rate is SONIA Benchmark) the fifth London Business Day (or as otherwise specified in the applicable Pricing Supplement) prior to the last day of each Interest Period;
- (v) (only if the relevant Reference Rate is SOFR Benchmark and "SOFR Observation Lag" or "SOFR Observation Shift" has been specified as applicable in the applicable Pricing Supplement to determine Compounded Daily SOFR or where SOFR Index Average has been 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 Period;
- (vi) (only if the relevant Reference Rate is SOFR Benchmark and "SOFR Payment Delay" has been specified as applicable in the applicable Pricing Supplement to determine Compounded Daily SOFR) has the meaning given to it in Condition 4(b)(iii)(E)(x)(iii); and
- (vii) (only if the relevant Reference Rate is SORA Benchmark) has the meaning given to it in Conditions 4(b)(iii)(C)(x)(1), 4(b)(iii)(C)(x)(2), 4(b)(iii)(C)(x)(3) or 4(b)(iii)(C)(y), as applicable.

"Interest Payment Date" means the Interest Payment Date and any other date or dates specified as such in, or determined in accordance with the provisions of, the relevant Pricing Supplement, and, if a Business Day Convention is specified in the relevant Pricing Supplement:

- (i) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (ii) if the Business Day Convention is the Floating Rate Business Day Convention and an interval of a number of calendar months is specified in the relevant Pricing Supplement as being the Specified Period, each of such dates as may occur in accordance with the Floating Rate Business Day Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

"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.

"ISDA Definitions" means the latest version of the 2021 ISDA Interest Rate Derivatives Definitions, including any Matrices referred to therein, as published by the International Swaps and Derivatives Association, Inc. as at the Issue Date of the first Tranche of the Covered Bonds, unless otherwise specified in the applicable Pricing Supplement, **provided that** (i) references to a "Confirmation" in the ISDA Definitions should instead be read as references to the Covered Bonds; (ii) references to a "Calculation Period" in the ISDA Definitions should instead be read as references to an "Interest Period".

"Rate of Interest" means the rate of interest payable from time to time in respect of this Covered Bond and that is either specified or calculated in accordance with the provisions hereon.

"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 interbank market; and
- (ii) in the case of a determination of HIBOR, the principal Hong Kong office of four major banks in the Hong Kong interbank market,

in each case selected by the Issuer or as specified hereon.

"Reference Rate" means the rate specified as such hereon 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 Screen Page" means such page, section, caption, column or other part of a particular information service as may be specified hereon (or any such successor or replacement page, section, caption, column or other party of a particular information service).

"Relevant Time" means, with respect to any Interest Determination Date, the local time in the relevant Financial Centre specified hereon 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 interbank 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.

"Specified Currency" means the currency specified as such hereon or, if none is specified, the currency in which the Covered Bonds are denominated.

"Specified Period" has the meaning given to it in the relevant Pricing Supplement.
"Sterling" means the lawful currency of the UK.

"T2" means the real time gross settlement system operated by the Eurosystem, or any successor system.

"U.S. Government Securities Business Day" means any day except for a Saturday, 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.

- (l) **Calculation Agent:** The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Covered

Bond is outstanding (as defined in the Bond Trust Deed). Where more than one Calculation Agent is appointed in respect of the Covered Bonds, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the 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 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 (with the prior approval of the Bond Trustee) appoint a leading bank or financial institution engaged in the interbank 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.

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 Covered Bond that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding nominal amount of each such Covered Bond 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 Covered Bond, 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 hereon and unless previously redeemed, purchased and cancelled as provided below, each Covered Bond shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided hereon, is its nominal amount) or, in the case of a Covered Bond falling within Condition 5(a)(i) above, its final Instalment Amount.
- (iii) Without prejudice to Condition 9, if an Extended Due for Payment Date is specified hereon and the Issuer has failed to pay the Final Redemption Amount on the Maturity Date (after expiry of the grace period set out in Condition 9(a)(i)) and, following the service of an Issuer Acceleration Notice on the Issuer and a Notice to Pay on the Covered Bond Guarantor by no later than the date falling one Business Day prior to the Extension Determination Date, the Covered Bond Guarantor has insufficient monies available under the Guarantee Priority of Payments to pay the Guaranteed Amounts corresponding to the Final Redemption Amount in full in respect of the Covered Bonds on the date falling on the earlier of:
 - (A) the date which falls two Business Days after service of such Notice to Pay on the Covered Bond Guarantor or, if later, the Maturity Date (in each case, after the expiry of the grace period set out in Condition 9(a)(i)) under the terms of the Covered Bond Guarantee; and
 - (B) the Extension Determination Date,
 then (subject as provided below) payment of the unpaid amount by the Covered Bond Guarantor under the Covered Bond Guarantee shall be deferred until the Extended Due for Payment Date, **provided that** the Covered Bond Guarantor may pay any amount representing the Final Redemption Amount on the Maturity Date and any amount representing all or part of the Final Redemption Amount due and remaining unpaid until the earlier of (A) and (B) above may, subject to the Guarantee

Priority of Payments, also be paid by the Covered Bond Guarantor on any Interest Payment Date thereafter up to (and including) the relevant Extended Due for Payment Date.

- (iv) Unless the Issuing and Paying Agent receives a notice from the Issuer to the contrary at least four Business Days prior to the Maturity Date, payment will be made in full of the Final Redemption Amount in respect of the Covered Bonds on the Maturity Date.
- (v) The Covered Bond Guarantor shall notify the relevant Covered Bondholders (in accordance with Condition 15), the Rating Agencies, the Bond Trustee, the Security Trustee, the Issuing and Paying Agent and the Registrar (in the case of Registered Covered Bonds) as soon as reasonably practicable and in any event at least one Business Day prior to the dates specified in Conditions 5(a)(iii)(A) and (B) above of any inability of the Covered Bond Guarantor to pay in full the Guaranteed Amounts corresponding to the Final Redemption Amount pursuant to the Covered Bond Guarantee.

Any failure by the Covered Bond Guarantor to notify such parties shall not affect the validity or effectiveness of the extension nor give rise to any rights in any such party.

- (vi) In the circumstances outlined in Condition 5(a)(iii) above, the Covered Bond Guarantor shall on the earlier of:
 - (A) the date falling two Business Days after the service of a Notice to Pay on the Covered Bond Guarantor or, if later, the Maturity Date (in each case, after expiry of the grace period set out in Condition 9(b)(i)); and
 - (B) the Extension Determination Date,

under the Covered Bond Guarantee, apply the monies (if any) available (after paying or providing for payment of higher ranking or *pari passu* amounts in accordance with the Guarantee Priority of Payments) *pro rata* in part payment of an amount equal to the Final Redemption Amount of each Covered Bond and shall pay Guaranteed Amounts constituting the Scheduled Interest in respect of each such Covered Bond on such date.

The obligation of the Covered Bond Guarantor to pay any amounts in respect of the balance of the Final Redemption Amount not so paid shall be deferred as described above. Such failure to pay by the Covered Bond Guarantor shall not constitute a Covered Bond Guarantor Event of Default.

- (vii) Any discharge of the obligations of the Issuer as the result of the payment of Excess Proceeds to the Bond Trustee shall be disregarded for the purposes of determining the amounts to be paid by the Covered Bond Guarantor under the Covered Bond Guarantee in connection with this Condition 5(a).
- (viii) In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"Extended Due for Payment Date" means the date, if any, specified hereon to which the payment of all or (as applicable) part of the Final Redemption Amount payable on the Maturity Date will be deferred in the event that the Final Redemption Amount is not paid in full on the Maturity Date or the Extension Determination Date.

"Extension Determination Date" means the date falling two Business Days after the expiry of 14 days starting on (and including) the Maturity Date.

"Guarantee Priority of Payments" means the priority of payments relating to monies standing to the credit of the Payment Ledger of the Transaction Account

to be paid on each Covered Bond Guarantee Payment Date in accordance with the Bond Trust Deed.

"Rating Agency" means any one of Moody's Investors Service Singapore Pte. Ltd. and S&P Global Ratings Australia Pty Ltd (together, the **"Rating Agencies"**) or their affiliates or successors, to the extent any of them provide(s) ratings in respect of the Covered Bonds.

(b) **Early Redemption:**

(i) *Zero Coupon Covered Bonds:*

(A) The Early Redemption Amount payable in respect of any Zero Coupon Covered Bond, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Covered Bond pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 9 shall be the **Amortised Face Amount** (calculated as provided below) of such Covered Bond unless otherwise specified hereon.

(B) Subject to the provisions of Condition 5(b)(i)(C) below, the "Amortised Face Amount" of any such Covered Bond shall be the scheduled Final Redemption Amount of such Covered Bond on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Covered Bonds 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 Covered Bond upon its redemption pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Covered Bond shall be the Amortised Face Amount of such Covered Bond as defined in Condition 5(b)(i)(B) above, except that such paragraph shall have effect as though the date on which the Covered Bond becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this paragraph 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 Covered Bond on the Maturity Date together with any interest that may accrue in accordance with Condition 4(d).

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 hereon.

(ii) *Other Covered Bonds:* The Early Redemption Amount payable in respect of any Covered Bond (other than Covered Bonds described in Condition 5(b)(i) above), upon redemption of such Covered Bond pursuant to Condition 5(c) or upon it becoming due and payable as provided in Condition 9, shall be the Final Redemption Amount unless otherwise specified hereon.

(c) **Redemption for Taxation Reasons:** The Covered Bonds may be redeemed at the option of the Issuer in whole, but not in part, (the **"Optional Tax Redemption"**) on any Interest Payment Date (if this Covered Bond is at the relevant time a Floating Rate Covered Bond) or, if so specified thereon, at any time (if this Covered Bond is at the relevant time not a Floating Rate Covered Bond), on giving not less than 30 nor more than 60 days' notice to the Covered Bondholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 5(b)) (together with interest accrued to the date fixed

for redemption and any Additional Amounts then due or which will become due on or before the date fixed for redemption), if

- (i) the Issuer has or will become obliged to pay Additional Amounts (as described under Condition 7) as a result of any change in, or amendment to, the laws, treaties or regulations of a Relevant Taxing Jurisdiction (as defined in Condition 7) or any political subdivision or any authority thereof or therein having power to tax, or any change in the official application or interpretation of such laws, treaties or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Covered Bonds; and
- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, **provided that** 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 Covered Bonds then due.

Before the publication of any notice of redemption pursuant to this Condition 5(c), the Issuer shall deliver to the Bond Trustee a certificate signed by two Directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such Additional Amounts as a result of such change or amendment and the Bond Trustee shall be entitled without further enquiry to accept such certificate and opinion as conclusive evidence of the satisfaction of the condition precedent set out in Condition 5(c)(ii) above, in which event it shall be conclusive and binding on Covered Bondholders and Couponholders.

- (d) **Redemption at the Option of the Issuer:** If Call Option is specified hereon, the Issuer may, on giving not less than 10 nor more than 20 days' irrevocable notice to the Covered Bondholders (or such other notice period as may be specified hereon) redeem all or, if so provided, some of the Covered Bonds on the date(s) specified hereon (the "**Optional Redemption Date**"). Any such redemption of Covered Bonds shall be at the Optional Redemption Amount specified hereon together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Covered Bonds of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Covered Bonds in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption, the notice to Covered Bondholders shall also contain the certificate numbers of the Bearer Covered Bonds, or in the case of Registered Covered Bonds shall specify the nominal amount of Registered Covered Bonds drawn and the holder(s) of such Registered Covered Bonds, to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

- (e) **Redemption due to Illegality:** The Covered Bonds of all Series may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Covered Bondholders (which notice shall be irrevocable), if the Issuer satisfies the Bond Trustee immediately before the giving of such notice that it has, or will before the next Interest Payment Date of any Covered Bond of any Series, become unlawful for the Issuer to make, fund or allow to remain outstanding any Advance made by it to the Covered Bond Guarantor pursuant to the Intercompany Loan Agreement, as a result of any change in, or amendment to, the applicable laws or regulations or any change in the application or official interpretation of such laws or regulations, which

change or amendment has become or will become effective before the next such Interest Payment Date.

Covered Bonds redeemed pursuant to this Condition 5(e) will be redeemed at their Early Redemption Amount referred to in Condition 5(b) together (if appropriate) with interest accrued to the date of redemption.

- (f) **Purchases:** The Issuer and any of its subsidiaries or the Covered Bond Guarantor may at any time purchase Covered Bonds (**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 Covered Bonds are listed, the requirements of the relevant stock exchange. The Issuer or any such subsidiary may, at its option, retain such purchased Covered bonds for its own account and/or resell or cancel or otherwise deal with them at its discretion.
- (g) **Cancellation:** All Covered Bonds purchased by or on behalf of the Issuer or any of its subsidiaries may be (and any Covered Bonds purchased or otherwise acquired by the Covered Bond Guarantor shall be) surrendered for cancellation, in the case of Bearer Covered Bonds, by surrendering each such Covered Bond together with all unmatured Receipts and Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Covered Bonds, by surrendering the Certificate representing such Covered Bonds to the Registrar and, in each case, if so surrendered, shall, together with all Covered Bonds redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Covered Bonds so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer and the Covered Bond Guarantor in respect of any such Covered Bonds shall be discharged.
- (h) **No Obligation to Monitor:** The Bond 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 Covered Bondholders, Receiptholders or Couponholders for any loss arising from any failure by it to do so. Unless and until the Bond 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.

These Conditions may be amended, modified or varied in relation to any Series of Covered Bonds by the terms of the applicable Pricing Supplement in relation to such Series.

6. **Payments and Talons**

- (a) **Bearer Covered Bonds not held in the CMU:** Payments of principal and interest in respect of Bearer Covered Bonds not held in the 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 Covered Bond), Covered Bonds (in the case of all other payments of principal and, in the case of interest, as specified in Condition 6(g)(vi)) or Coupons (in the case of interest, save as specified in Condition 6(g)(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 transfer to an account denominated in such currency with, a Bank; and
 - (ii) in the case of Renminbi, by transfer to a relevant account maintained by or on behalf of the Covered Bondholder. If a holder does not maintain a relevant account in respect of a payment to be made under the Covered Bonds, 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:

"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 T2.

"relevant account" means the Renminbi account maintained by or on behalf of the Covered Bondholder with:

- (i) in the case of Covered Bonds cleared through the CMU Service, a bank in Hong Kong; or
 - (ii) in the case of Covered Bonds cleared through the CDP System, a bank in Singapore or Hong Kong.
- (b) **Bearer Covered Bonds held in the CMU:** Payments of principal and interest in respect of Bearer Covered Bonds held in the CMU will be made to the person(s) for whose account(s) interests in the relevant Bearer Covered Bond are credited as being held with the CMU in accordance with the CMU Rules (as defined in the Agency Agreement) at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU in a relevant CMU Instrument Position Report (as defined in the Agency Agreement) or any other relevant notification by the CMU, which notification shall be conclusive evidence of the records of the 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 Covered Bonds not held in the CMU:**
 - (i) Payments of principal (which for the purposes of this Condition 6(c) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Covered Bonds 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 paragraph (ii) below.
 - (ii) Interest (which for the purpose of this Condition 6(c) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Covered Bonds shall be paid to the person shown on the Register at the close of business:
 - (A) in the case of a currency other than Renminbi, on the 15th day before the due date for payment thereof; and
 - (B) in the case of Covered Bonds denominated in Renminbi, on the fifth business day before the due date for payment,(the **"Record Date"**).

Payments of interest on each Registered Covered Bond shall be made:

- (x) in the case of a currency other than Renminbi, in the relevant currency upon application by the holder to the specified office of the Registrar or any other 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, by transfer to the registered account of the Covered Bondholder. If a holder does not maintain a registered account in respect of a payment to be made under the Covered Bonds, 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 6(c):

"registered account" means the Renminbi account maintained by or on behalf of the Covered Bondholder with:

- (a) in the case of Covered Bonds cleared through the CMU Service, a bank in Hong Kong; or
- (b) in the case of Covered Bonds cleared through the CDP System, 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.

- (d) **Registered Covered Bonds held in the CMU:** Payments of principal and interest in respect of Registered Covered Bonds held in the CMU will be made to the person(s) for whose account(s) interests in the relevant Registered Covered Bond are credited as being held with the CMU in accordance with the CMU Rules (as defined in the Agency Agreement) at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU in a relevant CMU Instrument Position Report (as defined in the Agency Agreement) or any other relevant notification by the CMU, which notification shall be conclusive evidence of the records of the 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 Covered Bonds that are cleared through the CMU are represented by the Global Certificate, payments of interest or principal will be made to the persons for whose account a relevant interest is in the Global Certificate is credited as being held by the operator at the relevant time, as notified to the CMU Lodging and Paying Agent by the operator in a relevant CMU Instrument Position Report (as defined in the CMU Rules) or in any other relevant notification by the operator. Such payment will discharge the Issuer's obligations in respect of that payment. Any payments by the CMU participants to indirect participants will be governed by arrangements agreed between the CMU participants and the indirect participants and will continue to depend on the interbank 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 Covered Bonds 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 Covered Bonds 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 and the Covered Bond Guarantor, any adverse tax consequence to the Issuer or the Covered Bond Guarantor.
- (f) **Payments subject to fiscal laws:** Save as provided in Condition 7, payments will be 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 or the Covered Bond Guarantor or its Agents agree to be subject and neither the Issuer nor the Covered Bond Guarantor will be liable for:

- (i) any taxes or duties of whatever nature imposed or levied by such laws, regulations, directives or agreements; or
- (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to Section 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7) any law implementing an intergovernmental approach thereto.

No commission or expenses shall be charged to the Covered Bondholders 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 Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and the Covered Bond Guarantor and their respective specified offices are listed below. The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and the Covered Bond Guarantor and do not assume any obligation or relationship of agency or trust for or with any Covered Bondholder or Couponholder. The Issuer and the Covered Bond Guarantor reserve the right at any time, with the approval of the Bond Trustee, to vary or terminate the appointment of the Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the DTC Paying Agent, any other Paying Agent, the Registrar, 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 in relation to Registered Covered Bonds;
- (iii) a Transfer Agent in relation to Registered Covered Bonds;
- (iv) a CMU Lodging and Paying Agent in relation to Covered Bonds accepted for clearance through the CMU Service;
- (v) a CDP Paying Agent in relation to Covered Bonds accepted for clearance through the CDP System;
- (vi) one or more Calculation Agent(s) where the Conditions so require; and
- (vii) such other agents as may be required by any other stock exchange on which the Covered Bonds may be listed, in each case as approved by the Bond Trustee.

In addition, the Issuer and the Covered Bond Guarantor shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Covered Bonds denominated in U.S. dollars in the circumstances described in paragraph (d) above.

Notice of any such change or any change of any specified office shall promptly be given to the Covered Bondholders.

- (h) **Unmatured Coupons and Receipts and unexchanged Talons:**
 - (i) Unless the Covered Bonds provide that the relevant Coupons are to become void upon the due date for redemption of those Covered Bonds, Bearer Covered Bonds which comprise Fixed Rate Covered Bonds should be surrendered for payment together with all unmaturing Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing 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 Coupon has become void pursuant to Condition 8).

- (ii) Upon the due date for redemption of any Bearer Covered Bond comprising a Floating Rate Covered Bond, unmatured Coupons relating to such Covered Bond (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 Covered Bond, any unexchanged Talon relating to such Covered Bond (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 Covered Bond that is redeemable in instalments, all Receipts relating to such Covered Bond 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 Covered Bond that provides that the relevant unmatured Coupons are to become void upon the due date for redemption of those Covered Bonds is presented for redemption without all unmatured Coupons, and where any Bearer Covered Bond 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 Covered Bond 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 Covered Bond or Certificate representing it, as the case may be. Interest accrued on a Covered Bond that only bears interest after its Maturity Date shall be payable on redemption of such Covered Bond against presentation of the relevant Covered Bond 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 Covered Bond, 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 Coupons that may have become void pursuant to Condition 8).
- (j) **Non-Business Days:** If any date for payment in respect of any Covered Bond, 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 paragraph, "**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" hereon, and:
- (i) (in the case of a payment in a currency other than Euro or 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 Covered Bonds cleared through the CMU Service) 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 Covered Bonds are cleared through Euroclear or Clearstream) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong; or
 - (v) (in the case of Renminbi where the Covered Bonds are cleared through the CDP System) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Singapore and Hong Kong.
- (k) **Renminbi fallback:** Notwithstanding the foregoing, if by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuer is not, in its sole and absolute discretion, able to satisfy payments of principal or interest in respect of the Covered Bonds when due in Renminbi (in the case of Covered Bonds cleared through the CMU Service, Euroclear or Clearstream) in Hong Kong, or (in the case of Covered Bonds cleared through the CDP System) in Singapore, the Issuer shall, on giving not less than five nor more than 30 days' irrevocable notice to the Covered Bondholders prior to the due date for payment, settle any such payment (in the case of Covered Bonds cleared through the CMU Service, Euroclear or Clearstream) in U.S. dollars, or (in the case of Covered Bonds cleared through the CDP System) in Singapore dollars, on the due date at (in the case of Covered Bonds cleared through the CMU Service, Euroclear or Clearstream) the U.S. Dollar Equivalent, or (in the case of Covered Bonds cleared through the CDP System) 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 Covered Bonds 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 Covered Bonds shall be made by:

- (i) in the case of Covered Bonds cleared through the CMU Service, 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 this Condition 6(k) 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 Covered Bonds cleared through the CDP System, 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.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6(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 Covered Bondholders.

In this Condition:

"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 Covered Bonds cleared through the CMU Service, Euroclear or Clearstream, in Hong Kong, in Singapore and New York City; or
- (ii) in the case of Covered Bonds cleared through the CDP System, in Singapore;

"Determination Date" means the day which:

- (i) in the case of Covered Bonds cleared through the CMU Service, Euroclear or Clearstream, is five Determination Business Days before the due date for payment of the relevant amount under these Conditions; or
- (ii) in the case of Covered Bonds cleared through the CDP System, is seven Determination Business Days before the due date for payment of the relevant amount under these Conditions;

"Governmental Authority" means:

- (i) in the case of Covered Bonds cleared through the CMU Service, 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 Covered Bonds cleared through the CDP System, the 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 Covered Bonds cleared through the CMU Service, 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 Covered Bonds as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers; or
- (ii) in the case of Covered Bonds cleared through the CDP System, 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 Covered Bonds 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 Covered Bonds in the general Renminbi exchange market in, in the case of Covered Bonds cleared through the CMU Service, Euroclear or Clearstream, Hong Kong, or, in the case of Covered Bonds cleared through the CDP System, 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 transfer Renminbi between accounts:

- (i) in the case of Covered Bonds cleared through the CMU Service, Euroclear or Clearstream, inside Hong Kong or from an account inside Hong Kong to an account outside 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) in Hong Kong and in New York City; or
- (ii) in the case of Covered Bonds cleared through the CDP System, 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:

- (i) in the case of Covered Bonds cleared through the CMU Service, Euroclear or Clearstream, in Hong Kong; and
- (ii) in the case of Covered Bonds cleared through the CDP System, in Singapore;

"Singapore Dollar Equivalent" means the Renminbi amount converted into Singapore dollars using the relevant Spot Rate for the relevant Determination Date;

"Spot Rate" means:

- (i) in the case of Covered Bonds cleared through the CMU Service, 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 Bloomberg Page <CNH Curncy> or, if no such rate is available, on a non-deliverable basis by reference to Bloomberg Page <CNH Curncy>.

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 Bloomberg Page <RMBMUSD Index>. Reference to a Bloomberg page includes such other display page as may replace that page for the purpose of displaying a comparable currency exchange rate; or

- (ii) in the case of Covered Bonds cleared through the CDP System, for a Determination Date, means the spot Renminbi/Singapore dollar exchange rate as determined by the Issuer at or around 11:00 a.m. (Singapore time) on such 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.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6(k) by the Calculation Agent will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Covered Bond Guarantor, the Agents and all Covered Bondholders; and

"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.

7. **Taxation**

All payments of principal and interest by or on behalf of the Issuer, in respect of the Covered Bonds, the Receipts and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore (the "**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 Receiptholders, Covered Bondholders 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 Covered Bond, 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 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 Covered Bond, Receipt, Talon or Coupon by reason of his having some connection with the Relevant Taxing Jurisdiction other than the holding or ownership of the Covered Bond, 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 concerning the nationality, residence, identity or other attributes of the holder or beneficial owner 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 Covered Bond (or the Certificate representing it), Receipt or Coupon is presented for payment; or
- (c) **Presentation more than 30 days after the Relevant Date:** where presentation is required or has occurred, 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 or before the 30th such day.

As used in these Conditions, "**Relevant Date**" in respect of any Covered Bond, 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 Covered Bondholders that, upon further presentation of the Covered Bond (or relevant Certificate), Receipt, Talon or Coupon being made in accordance with the 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 Covered Bonds, 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 or any undertaking given in addition to or in substitution for it under the Bond Trust Deed.

All payments of Guaranteed Amounts by or on behalf of the Covered Bond Guarantor will be made free and clear of, and without withholding or deduction for, or on account of, any present or future

taxes, duties, assessments or other governmental charges of whatever nature imposed, levied, collected, withheld or assessed by Singapore or any authority therein or thereof having the power to tax unless required by law. If any such withholding or deduction is required, the Covered Bond Guarantor will pay the Guaranteed Amounts net of such withholding or deduction and shall account to the appropriate tax authority for the amount required to be withheld or deducted. The Covered Bond Guarantor will not be obliged to pay any additional amount (including, but not limited to, the Additional Amounts) to the Bond Trustee or any holder of Covered Bonds, Receipts or Coupons in respect of the amount of such withholding or deduction. If any withholding or deduction arises under or in connection with a FATCA Withholding (as defined below), the Covered Bond Guarantor will not be required to pay any additional amount (including, but not limited to, the Additional Amounts) under the Covered Bond Guarantee on account of such withholding or deduction.

Notwithstanding any other provision of the Conditions, any amounts to be paid on the Covered Bonds by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the Code, 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 fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a **"FATCA Withholding"**). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

*Where interest, discount income, early redemption fee or redemption premium is derived from any of the Covered Bonds 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 Covered Bonds 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 Covered Bonds 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.*

8. **Prescription**

Claims against the Issuer for payment in respect of the Covered Bonds, 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.

9. **Events of Default**

(a) **Issuer Events of Default:**

If any of the following events (each an **"Issuer Event of Default"**) occurs and is continuing, the Bond Trustee at its discretion may but is not obliged to do so, and if so requested by holders of at least 25 per cent. in principal amount of the Covered Bonds of this Series together with the Covered Bonds of any other Series then outstanding as if they were a single Series or if so directed by an Extraordinary Resolution of all the Covered Bondholders of all Series then outstanding as if they were a single Series (but in respect of the events in paragraphs (ii) to (iv) below) (inclusive) below, only if the Bond Trustee certifies that the occurrence of such event is materially prejudicial to the interests of the Covered Bondholders of any Series) (subject in each case to the Bond Trustee being indemnified and/or secured and/or pre-funded to its satisfaction in its sole discretion) shall give notice to the Issuer (an **"Issuer Acceleration Notice"**) that, as against the Issuer (but not, for the avoidance of doubt, as against the Covered Bond Guarantor under the Covered Bond Guarantee) the Covered Bonds are, unless such event will have been cured by the Issuer prior to the Issuer's receiving the notice in writing from the Bond Trustee, and they shall immediately become, due and payable at their Early Redemption Amount plus any accrued interest as provided in the Bond Trust Deed:

- (i) **Non-Payment:** default is made by the Issuer for more than 14 days in the payment on the due date of principal or of interest in respect of any of the Covered Bonds. The Issuer shall not be in default, however, if during the 14 days' grace period, it satisfies the Bond Trustee that such sums were not paid (A) in order to comply with any fiscal or other law or regulation or with the order of any court of competent jurisdiction, in each case applicable to such payment, the Issuer, the relevant Paying Agent, Transfer Agent, or the holder of any Covered Bond or Coupon or (B) (subject as provided in the Bond Trust Deed) in case of doubt as to the validity or applicability of any such law, regulation or order, in accordance with advice as to such validity or applicability given at any time during the said period of 14 days by independent legal advisers acceptable to the Trustee;
- (ii) **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations (under the Covered Bonds or the Bond Trust Deed (other than any obligation for the payment of interest or principal in respect of any of the Covered Bonds) or any other Transaction Documents to which the Issuer is a party (other than the Programme Agreement and any Subscription Agreement) but excluding any obligation of the Issuer to comply with the Asset Coverage Test or the Pre-Maturity Test or any representation or warranty given by the Issuer in respect of the Asset Coverage Test or the Pre-Maturity Test, which default has not been remedied within 60 days (or such longer period as the Bond Trustee may permit) after written notice of such default shall have been given to the Issuer by the Bond Trustee;
- (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 (in the opinion of the Bond Trustee) part of its debts or makes a general assignment or an arrangement or composition with or for the benefit of all its creditors or a moratorium is agreed or declared in respect of all or a material (in the opinion of the Bond Trustee) part of the debts of the Issuer;
- (iv) **Winding-up:** a judicial manager is appointed in relation to the Issuer, an order is made or an effective resolution passed for the winding-up or dissolution or judicial management of the Issuer, or the Issuer shall apply or petition for a winding-up or judicial management order in respect of itself or ceases or threatens through an official action of its board of directors to cease to carry on all or a substantial (in the opinion of the Bond Trustee) part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms previously approved by the Bond Trustee in writing or by an Extraordinary Resolution of the Covered Bondholders;
- (v) **Breach of Asset Coverage Test:** if an Asset Coverage Test Breach Notice has been served and is not revoked (in accordance with the terms of the Transaction Documents) on or before the first Test Date immediately succeeding service of such Asset Coverage Test Breach Notice on the Covered Bond Guarantor; or
- (vi) **Breach of Pre-Maturity Test:** if the Pre-Maturity Test in respect of any Series of Hard Bullet Covered Bonds is breached less than six months prior to the Maturity Date of such Series of Hard Bullet Covered Bonds and the Covered Bond Guarantor has not funded the Pre-Maturity Liquidity Ledger in accordance with the Establishment Deed before the earlier of:
 - (A) 20 Business Days from the date that the Seller and the Issuer are notified of the breach of the Pre-Maturity Test; and
 - (B) the Maturity Date of such Series of Hard Bullet Covered Bonds.

Upon the Covered Bonds becoming immediately due and payable against the Issuer pursuant to this Condition 9(a), the Bond Trustee shall forthwith serve a

notice to pay (the "**Notice to Pay**") on the Covered Bond Guarantor pursuant to the Covered Bond Guarantee and the Covered Bond Guarantor shall be required to make payments of Guaranteed Amounts when the same shall become Due for Payment in accordance with the terms of the Covered Bond Guarantee.

Following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice, the Bond Trustee may or shall take such proceedings or other action against the Issuer in accordance with Condition 11.

The Bond Trust Deed provides that all monies received by the Bond Trustee from the Issuer or any receiver, liquidator, judicial manager or other similar official appointed in relation to the Issuer following the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice and a Notice to Pay (the "**Excess Proceeds**") shall be paid by the Bond Trustee on behalf of the Covered Bondholders to the Covered Bond Guarantor for its own account, as soon as practicable, and shall be held by the Covered Bond Guarantor in the Transaction Account and the Excess Proceeds shall thereafter form part of the Security and shall be used by the Covered Bond Guarantor in the same manner as all other monies from time to time standing to the credit of the Transaction Account pursuant to the Deeds of Charge and the Establishment Deed. Any Excess Proceeds received by the Bond Trustee shall discharge, to that extent, the obligations of the Issuer in respect of the payment of the amount of such Excess Proceeds under the Covered Bonds, Receipts and Coupons. However, the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee are (following service of a Notice to Pay) unconditional and irrevocable and the receipt by the Bond Trustee of any Excess Proceeds and payment to the Covered Bond Guarantor of such Excess Proceeds shall not reduce or discharge any of such obligations.

By subscribing for Covered Bond(s), each Covered Bondholder shall be deemed to have irrevocably directed the Bond Trustee to pay the Excess Proceeds to the Covered Bond Guarantor in the manner as described above.

(b) **Covered Bond Guarantor Events of Default:**

If any of the following events (each a "**Covered Bond Guarantor Event of Default**") occurs and is continuing, the Bond Trustee at its discretion may but is not obliged to do so, and if so requested by holders of at least 25 per cent. in principal amount of the Covered Bonds of this Series together with the Covered Bonds of any other Series then outstanding as if they were a single Series or if so directed by an Extraordinary Resolution of all the Covered Bondholders of all Series then outstanding as if they were a single Series shall (but in respect of the events in paragraphs (ii) to (iv) below) (inclusive) below, only if the Bond Trustee certifies that the occurrence of such event is materially prejudicial to the interests of the Covered Bondholders of any Series) (subject in each case to the Bond Trustee being indemnified and/or secured and/or pre-funded to its satisfaction in its sole discretion)) give notice to the Covered Bond Guarantor and the Issuer (a "**Covered Bond Guarantor Acceleration Notice**"), that (A) the Covered Bonds shall, as against the Issuer (if not already due and repayable against it following an Issuer Event of Default), immediately become due and repayable at their Early Redemption Amount plus any accrued interest and (B) all amounts payable by the Covered Bond Guarantor under the Covered Bond Guarantee shall immediately become due and payable at the Guaranteed Amount corresponding to the Early Redemption Amount plus any accrued interest, in each case as provided in the Bond Trust Deed and thereafter the Security shall become enforceable:

- (i) **Non-Payment:** default is made by the Covered Bond Guarantor for more than 10 Business Days in the payment of any Guaranteed Amounts when Due for Payment in respect of any of the Covered Bonds except in the case of payments of a Guaranteed Amount when Due for Payment under Condition 5(a) where the Covered Bond Guarantor shall be required to make payments of Guaranteed Amounts which are Due for Payment on the dates specified therein. The Covered

Bond Guarantor shall not be in default, however, if during the 10 Business Days' grace period, it satisfies the Bond Trustee that such sums were not paid (A) in order to comply with any fiscal or other law or regulation or with the order of any court of competent jurisdiction, in each case applicable to such payment, the Covered Bond Guarantor, the relevant Paying Agent, Transfer Agent, or the holder of any Covered Bond or Coupon or (B) (subject as provided in the Bond Trust Deed) in case of doubt as to the validity or applicability of any such law, regulation or order, in accordance with advice as to such validity or applicability given at any time during the said period of 10 Business Days by independent legal advisers acceptable to the Trustee;

- (ii) **Breach of Other Obligations:** the Covered Bond Guarantor does not perform or comply with any one or more of its obligations under the Bond Trust Deed (other than any obligation for the payment of Guaranteed Amounts in respect of the Covered Bonds) or any other Transaction Documents to which the Covered Bond Guarantor is a party (other than the Programme Agreement or any Subscription Agreement), which default has not been remedied within 60 days (or such longer period as the Bond Trustee may permit) after written notice of such default shall have been given to the Covered Bond Guarantor by the Bond Trustee;
- (iii) **Insolvency:** the Covered Bond Guarantor 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 (in the reasonable opinion of the Bond Trustee) part of its debts or makes a general assignment or an arrangement or composition with or for the benefit of all its creditors or a moratorium is agreed or declared in respect of all or a material (in the reasonable opinion of the Bond Trustee) part of the debts of the Covered Bond Guarantor;
- (iv) **Winding-up:** a juridical manager is appointed in relation to the Covered Bond Guarantor, an order is made or an effective resolution passed for the winding-up or dissolution or judicial management of the Covered Bond Guarantor, or the Covered Bond Guarantor shall apply or petition for a winding-up or judicial management order in respect of itself or ceases or threatens through an official action of its board of directors to cease to carry on all or a substantial (in the reasonable opinion of the Bond Trustee) part of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms previously approved by the Bond Trustee in writing or by an Extraordinary Resolution of the Covered Bondholders;
- (v) **Amortisation Test:** a failure to satisfy the Amortisation Test (as set out in the Establishment Deed) on any Test Date following the service of a Notice to Pay; or
- (vi) **Covered Bond Guarantee:** the Covered Bond Guarantee is not, or is claimed by the Covered Bond Guarantor not to be, in full force and effect.

Following the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor, the Bond Trustee may or if so requested by holders of at least 25 per cent. in nominal amount of the Covered Bonds then outstanding or if so directed by an Extraordinary Resolution of all the Covered Bondholders shall and the Security Trustee may or if so directed by the Bond Trustee shall take such proceedings or steps in accordance with

Condition 11 and the Covered Bondholders shall have a claim against the Covered Bond Guarantor, under the Covered Bond Guarantee, for an amount equal to the Early Redemption Amount together (if applicable) with accrued interest and any other amount due under the Covered Bonds (other than Additional Amounts payable under Condition 7) as provided in the Bond Trust Deed in respect of the Covered Bonds.

10. **Meetings of Covered Bondholders, Modification, Waiver and Substitution**

(a) **Meetings of Covered Bondholders:** The Bond Trust Deed contains provisions for convening meetings (including by way of teleconference or videoconference call) of Covered Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Bond Trust Deed) of a modification of any of these Conditions or any provision of the Bond Trust Deed. Such a meeting may be convened by Covered Bondholders holding at least 10% in nominal amount of the Covered Bonds of any Series for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be one or more persons holding or representing a clear majority in nominal amount of the Covered Bonds for the time being outstanding, or at any adjourned meeting one or more persons being or representing Covered Bondholders whatever the nominal amount of the Covered Bonds 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 Covered Bonds, any Instalment Date or any date for payment of interest or Interest Amounts on the Covered Bonds;
- (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Covered Bonds;
- (iii) to reduce the rate or rates of interest in respect of the Covered Bonds 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 Covered Bonds (except as a result of any modification contemplated in Condition 4(j));
- (iv) if a Minimum Rate of Interest and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown hereon, to reduce any such Minimum Rate of Interest 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 the method of calculating the Amortised Face Amount;
- (vi) to vary the currency or currencies of payment or denomination of the Covered Bonds;
- (vii) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply;
- (viii) to amend the Covered Bond Guarantee or the Deeds of Charge (except in a manner determined by the Bond Trustee not to be materially prejudicial to the interests of the Covered Bondholders);
- (ix) to sanction the exchange or substitution for the Covered Bonds of, or the conversion of the Covered Bonds into, shares, bonds or other obligations or securities of the Issuer, the Covered Bond Guarantor or any other entity; or
- (x) to modify the provisions concerning the quorum required at any meeting of Covered Bondholders or the majority required to pass the Extraordinary Resolution,

(each a "**Series Reserved Matter**"), in which case the necessary quorum shall be one or more persons holding or representing not less than two-thirds, or at any adjourned meeting not less than one-third, in nominal amount of the Covered Bonds of any Series for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Covered Bondholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders and Receiptholders.

The Bond 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 Covered Bonds outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Covered Bondholders 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 Covered Bondholders.

For so long as the Covered Bonds (other than CDP Covered Bonds) are in the form of a Global Covered Bond held on behalf of, or a Global Certificate registered in the name of any nominee for, one or more of Euroclear, Clearstream or another clearing system, then, **provided that** the Bond Trustee in its absolute discretion agrees to the following procedure being adopted in respect of any resolution proposed by the Issuer, the Covered Bond Guarantor or the Bond Trustee where the terms of the proposed resolution have been notified to the Covered Bondholders through the relevant clearing system(s), each of the Issuer, the Covered Bond Guarantor and the Bond Trustee shall be entitled to rely upon approval of such resolution proposed by the Issuer, the Covered Bond Guarantor or the Bond Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 90 per cent. in nominal amount of the Covered Bonds (other than CDP Covered Bonds) outstanding ("**Electronic Consent**").

A Written Resolution (as defined in the Bond Trust Deed) and/or Electronic Consent shall take effect as an Extraordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all Covered Bondholders and holders of Coupons, Talons and Receipts, whether or not they participated in such Written Resolution and/or Electronic Consent.

Notwithstanding the provisions of the immediately preceding paragraphs, any Extraordinary Resolution to direct the Bond Trustee to accelerate the Covered Bonds pursuant to Condition 9 or to direct the Bond Trustee or the Security Trustee to take any enforcement action (each a "**Programme Resolution**") shall only be capable of being passed at a single meeting of the Covered Bondholders of all Series then outstanding. Any such meeting to consider a Programme Resolution may be convened by the Issuer, the Covered Bond Guarantor, the Bond Trustee or by the Covered Bondholders of any Series. The quorum at any such meeting for passing a Programme Resolution is one or more persons holding or representing a clear majority in nominal amount of the Covered Bonds for the time being outstanding or at any adjourned meeting one or more persons being or representing Covered Bondholders whatever the nominal amount of the Covered Bonds of any Series held or represented. Any Programme Resolution duly passed shall be binding on Covered Bondholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders and Receiptholders.

The Bond Trust Deed provides that, for the purposes of determining the votes a Covered Bondholder is entitled to cast, each Covered Bondholder shall have one vote in respect of each SGD1.00 in nominal amount of Covered Bonds held (converted into Singapore dollars, if such Covered Bonds are not denominated in Singapore dollars, at the relevant Covered Bond Swap Rate).

The consent or approval of the Covered Bondholders shall not be required in the case of amendments to the Conditions pursuant to Condition 4(j) 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 Covered Bonds or for any other variation of these Conditions and/or the Agency Agreement required to be made in the circumstances described in Condition 4(j), where the requirements of Condition 4(j) have been satisfied (including the provision of a certificate to the Bond Trustee and the Security Trustee, where applicable).

These Conditions may be amended, modified or varied in relation to any Series of Covered Bonds by the terms of the applicable Pricing Supplement in relation to such Series.

- (b) **Modification of the Bond Trust Deed and the Transaction Documents:** The Bond Trustee (and the Security Trustee) may agree, without the consent of the Covered Bondholders, Receiptholders or Couponholders and without the consent of the other Secured Creditors, to:

- (i) any modification (other than in relation to a Series Reserved Matter) of any of the provisions of the Bond Trust Deed, the Conditions or any Transaction Document which is, in its opinion, of a formal, minor or technical nature or made to correct a manifest error or proven error or as required by CDP and/or the CMU and/or Euroclear and/or Clearstream or regulation or any requirement of any governmental authority which applies to the Covered Bond Guarantor, the Issuer or any Transaction Document or the transactions under them; and
- (ii) any other modification of any of the provisions of the Bond Trust Deed, the Conditions or any Transaction Document that is in the opinion of the Bond Trustee not materially prejudicial to the interests of the Covered Bondholders.

Any such modification shall be binding on the Covered Bondholders, Receiptholders and the Couponholders and, if the Bond Trustee so requires, shall be notified to the Covered Bondholders as soon as practicable.

Further, in respect of a Transaction Document to which the Bond Trustee or the Security Trustee is a party, the Bond Trustee or the Security Trustee (as the case may be) shall agree, without the consent of the Covered Bondholders, Receiptholders or Couponholders to any amendment to such Transaction Document for the purpose of making any amendment (including, without limitation, adding, changing or removing parties and correcting or rectifying any ambiguity, defective provisions, errors, omissions or inconsistencies) to the Transaction Document **provided that**, following the first Issue Date, the Cash Manager has delivered a Rating Agency Confirmation to the Covered Bond Guarantor, the Security Trustee and the Bond Trustee in respect of such amendment and the Cash Manager has confirmed in writing to the Security Trustee and the Bond Trustee (as the case may be) and to the Covered Bond Guarantor that in its opinion such amendment will not have an adverse effect on the amount and timing of any payment to the Covered Bondholders. Any such amendment shall be binding on all Covered Bondholders, Receiptholders and all Couponholders and, if the Bond Trustee or Security Trustee, as applicable, so requires, shall be notified to the Covered Bondholders as soon as practicable. The Security Trustee or the Bond Trustee (as the case may be) may in its discretion (but shall not be obliged to) rely on the Rating Agency Confirmation delivered to them.

- (c) **Modification to Pricing Supplements:** Notwithstanding Condition 10(b) above, the Issuer and the Covered Bond Guarantor may agree, without the consent of the Bond Trustee, the Security Trustee, the Covered Bondholders, Receiptholders or Couponholders or any of the other Secured Creditors, to any consequential modification of any of the provisions of any Pricing Supplements as may be required in order to give effect to, where applicable, Conditions 4(j)(i), 4(j)(ii) or 4(j)(iii), as the case may be.
- (d) **Waiver:** The Bond Trustee may also agree (but is not obliged to do so), without the consent of the Covered Bondholders, Receiptholders or Couponholders, to the waiver or authorisation of any breach or proposed breach of any of the provisions of the Covered Bonds of any Series, or determine that any Issuer Event of Default or Covered Bond Guarantor Event of Default or Potential Issuer Event of Default or Potential Covered Bond Guarantor Event of Default shall not be treated as such, **provided that**, in any such case, it is not, in the opinion of the Bond Trustee, materially prejudicial to the interests of the Covered Bondholders of any Series. Save as otherwise provided in the Deeds of Charge, the Security Trustee shall agree to the waiver or authorisation of any breach or proposed breach of any of the provisions of any Transaction Document only if so directed by:
 - (i) the Bond Trustee, so long as there are any Covered Bonds outstanding; or
 - (ii) all of the other Secured Creditors, if there are no Covered Bonds outstanding.

Any such authorisation or waiver shall be binding on the Covered Bondholders, Receiptholders and the Couponholders and, if the Bond Trustee so requires, such waiver or authorisation shall be notified to the Covered Bondholders as soon as practicable.

- (e) **Entitlement of the Bond Trustee and the Security Trustee:** In connection with the exercise of its functions (including, but not limited to, those referred to in this Condition) the Bond Trustee and the Security Trustee shall have regard to the interests of the Covered Bondholders, Receiptholders or Couponholders of each Series as a class and shall not have regard to the consequences of such exercise for individual Covered Bondholders, Receiptholders or Couponholders and the Bond Trustee and the Security Trustee shall not be entitled to require, nor shall any Covered Bondholder, Receiptholders or Couponholder be entitled to claim, from the Issuer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Covered Bondholders, Receiptholders or Couponholders.
- (f) **Substitution:** The Bond Trust Deed contains provisions permitting the Bond Trustee to agree, subject to such amendment of the Bond Trust Deed and such other conditions as the Bond Trustee may require, but without the consent of the Covered Bondholders or the Couponholders, to the substitution of the Issuer's successor in business or any Subsidiary of the Issuer or its successor in business in place of the Issuer, or of any previous substituted company, as principal debtor under the Bond Trust Deed and the Covered Bonds.
- (g) For the purpose of this Condition 10:
 - (i) **Potential Covered Bond Guarantor Event of Default** means an event or circumstance that could with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement provided for in Condition 9(b) become a Covered Bond Guarantor Event of Default; and
 - (ii) **Potential Issuer Event of Default** means an event or circumstance which could with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement provided for in Condition 9(a) become an Issuer Event of Default.

11. **Enforcement in respect of Covered Bonds**

- (a) **Enforcement by the Bond Trustee:** In the case of Covered Bonds, at any time after the Covered Bonds become due and payable, the Bond Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer and/or the Covered Bond Guarantor as it may think fit to enforce the terms of the Bond Trust Deed, the Covered Bonds, the Receipts and the Coupons, but it need not take any such proceedings unless:
 - (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Covered Bondholders holding at least 25 per cent. in nominal amount of the Covered Bonds then outstanding; and
 - (ii) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction in its sole discretion.

In exercising any of its powers, trusts, authorities and discretions under this Condition 11 in respect of any Series, the Bond Trustee shall only have regard to the interests of the holders of the Covered Bonds of such Series as a Class and shall not have regard to the interests of any other Secured Creditors.

- (b) **Bond Trustee may direct Security Trustee:** The Bond Trustee may at any time, at its discretion and without further notice, direct the Security Trustee to take such steps or proceedings against the Covered Bond Guarantor and/or any other person as it may think fit to enforce the provisions of the Deeds of Charge or any other Transaction Document and may, at any time after the Security has become enforceable, direct the Security Trustee

to take such steps as it may think fit to enforce the Security, but it shall not be bound to give any such direction and the Security Trustee shall not be bound to take any such steps or proceedings unless

- (i) the Bond Trustee shall have been so directed by an Extraordinary Resolution or so requested in writing by Covered Bondholders holding at least 25 per cent. in nominal amount of the Covered Bonds of all Series then outstanding; and
- (ii) each of the Bond Trustee and the Security Trustee shall have been indemnified and/or secured and/or pre-funded to its satisfaction in its sole discretion.

In exercising any of its powers, trusts, authorities and discretions under this Condition 11 in respect of any Series, each of the Bond Trustee and the Security Trustee shall only have regard to the interests of the holders of the Covered Bonds of such Series as a Class and shall not have regard to the interests of any other Secured Creditors.

- (c) **No direct proceedings:** No Covered Bondholder, Receiptholder or Couponholder in respect of Covered Bonds may proceed directly against the Issuer or the Covered Bond Guarantor unless the Bond Trustee or the Security Trustee (as the case may be) having become bound so to proceed (in accordance with the terms of the Bond Trust Deed and the Conditions), fails to do so within a reasonable time and such failure is continuing, in which case such Covered Bondholder, Receiptholder or Couponholder shall have only such rights against the Issuer or the Covered Bond Guarantor as those which the Bond Trustee or the Security Trustee (as the case may be) is entitled to exercise.

12. **Indemnification of the Bond Trustee and the Security Trustee**

The Bond Trust Deed and the Deeds of Charge contain provisions for the indemnification of each of the Bond Trustee and the Security Trustee, respectively, and for their relief from responsibility. Each of the Bond Trustee and the Security Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer or the Covered Bond Guarantor without accounting for any profit.

Each of the Bond Trustee and the Security Trustee may accept and rely without liability to Covered Bondholders, Receiptholders or Couponholders on a report, confirmation or certificate or any advice of any accountants, financial advisers, 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 Bond Trustee or the Security Trustee, respectively, or in any other manner) by reference to a monetary cap, methodology or otherwise. Each of the Bond Trustee and the Security Trustee may conclusively (without liability) accept and shall be entitled to rely on such report, confirmation, certificate or advice and such report, confirmation, certificate or advice shall be binding on the Issuer, the Bond Trustee, the Security Trustee, the Covered Bondholders, Receiptholders and the Couponholders.

13. **Replacement of Covered Bonds, Certificates, Receipts, Coupons and Talons**

If a Covered Bond, 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 Covered Bonds, 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 Covered Bondholders, 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 Covered Bond, 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 Covered Bonds, Certificates, Receipts, Coupons or further Coupons) or Talons and otherwise as the Issuer and/or Agent may require in their sole discretion. Mutilated or defaced Covered Bonds, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

14. **Further Issues**

The Issuer may from time to time without the consent of the Covered Bondholders, Couponholders or Receiptholders create and issue further securities either having the same terms and conditions as the Covered Bonds 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 Covered Bonds) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Covered Bonds include (unless the context requires otherwise) any other securities issued pursuant to this Condition 14 and forming a single series with the Covered Bonds. Any further securities forming a single series with the outstanding securities of any series (including the Covered Bonds) constituted by the Bond Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Bond Trustee), be constituted by the Bond Trust Deed. The Bond Trust Deed contains provisions for convening a single meeting of the Covered Bondholders and the holders of securities of other series where the Bond Trustee so decides.

15. **Notices**

Notices to the holders of the Covered Bonds will be valid if (a) in the case of holders of Registered Covered Bonds, mailed to them at their respective addresses in the Register. Such notice shall be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing, (b) in the case of holders of Bearer Covered Bonds, published in a daily newspaper of general circulation in Singapore (which is expected to be the Business Times but if such publication is not practicable, may be another leading daily English language newspaper with general circulation in Singapore), or (c) so long as the Covered Bonds are listed on the SGX-ST and the rules of the SGX-ST so required, published on the website of the SGX-ST at <https://www.sgx.com>. Any such notice given in (b) or (c) 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.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Covered Bonds in accordance with this Condition 15.

So long as the Covered Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of:

- (i) *CDP, DTC, Euroclear or Clearstream or the Alternative Clearing System (as defined in the form of the Global Certificate), notices to Covered Bondholders shall be given by delivery of the relevant notice to CDP (subject to the agreement of CDP), DTC, Euroclear or Clearstream or the Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by the Conditions; or*
- (ii) *the CMU, notices to the holders of Covered Bonds 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 despatch of such notice,*

except that if the Covered Bonds are listed on the SGX-ST and the rules of the SGX-ST so require, notices to the holders of Covered Bonds of that Series shall be valid if published on the website of the SGX-ST at <https://www.sgx.com>.

16. **Currency Indemnity**

Any amount received or recovered in a currency other than the currency in which payment under the relevant Covered Bond, Coupon or Receipt is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or otherwise) by any Covered Bondholder or Couponholder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the amount in the currency of payment under the relevant Covered Bond, Coupon or Receipt that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date,

on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be due to the recipient under any Covered Bond, Coupon or Receipt, the Issuer shall indemnify it against any loss sustained by it as a result. In any event, the Issuer shall indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition, it shall be sufficient for the Covered Bondholder or Couponholder, as the case may be, to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Covered Bondholder or Couponholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Covered Bond, Coupon or Receipt or any other judgment or order.

17. **Limited Recourse and Non-Petition**

(a) **Limited Recourse:**

- (i) **Enforcement of Security:** The Security Trustee and only the Security Trustee may enforce the Security over the Charged Property in accordance with, and subject to the terms of, the Deeds of Charge.
- (ii) **Insufficient Recoveries:** If, or to the extent that, after the Charged Property has been as fully as practicable realised and the proceeds thereof have been applied in accordance with the applicable Priority of Payments, the amounts recovered on realisation of the Charged Property are insufficient to pay or discharge amounts due from the Covered Bond Guarantor to the Secured Creditors in full for any reason, the Covered Bond Guarantor will have no liability to pay or otherwise make good any such insufficiency.

- (b) **Non-Petition:** No Secured Creditor may take any corporate action or other steps or legal proceedings for the winding-up, judicial management, dissolution, arrangement, reconstruction or reorganisation of the Covered Bond Guarantor or for the appointment of a liquidator, receiver (including receiver and manager), administrator, trustee, judicial manager or similar officer in respect of the Covered Bond Guarantor or over any or all of its assets or undertaking.

18. **Contracts (Rights of Third Parties) Act**

No person shall have any right to enforce any term or condition of the Covered Bonds under the Contracts (Rights of Third Parties) Act 1999 except and to the extent (if any) that the Covered Bonds expressly provide for such Act to apply to any of their terms.

19. **Governing Law and Jurisdiction**

- (a) **Governing Law:** The Bond Trust Deed, the Covered Bonds, 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 law, save that defined terms incorporated by reference from the Master Definitions Agreement shall be governed by and construed in accordance with Singapore law.
- (b) **Jurisdiction:** The Courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Covered Bonds, Receipts, Coupons or Talons or the Covered Bond Guarantee and accordingly any legal action or proceedings arising out of or in connection with any Covered Bonds, Receipts, Coupons or Talons or the Covered Bond Guarantee ("**Proceedings**") may be brought in such courts. The Issuer and the Covered Bond Guarantor 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 Covered Bonds, 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).

- (c) **Service of Process:** Each of the Issuer and the Covered Bond Guarantor has in the Bond Trust Deed agreed that Standard Chartered Bank shall accept service of process on its behalf in respect of any Proceedings in England. If Standard Chartered Bank ceases to be able to accept service of process in England, each of the Issuer and the Covered Bond Guarantor shall immediately appoint a new agent to accept such service of process in England.

20. **Headings**

Headings are for convenience only and do not affect the interpretation of these Conditions.

SUMMARY OF PROVISIONS RELATING TO THE COVERED BONDS WHILE IN GLOBAL FORM

Initial Issue of Covered Bonds

The Covered Bonds will be issued in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest and their issue price), the Covered Bonds of each Series being intended to be interchangeable with all other Covered Bonds of that Series. Each Series may be issued in tranches (each a "**Tranche**") on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in a Pricing Supplement to this Offering Memorandum.

Global Covered Bonds and Global Certificates may be delivered on or prior to the original issue date of the Tranche to a Common Depositary or CDP.

Upon the initial deposit of a Global Covered Bond with a Common Depositary, CDP or a sub-custodian for the HKMA as operator of the CMU or registration of Registered Covered Bonds in the name of any nominee for CDP, the HKMA, Euroclear and Clearstream and delivery of the relative Global Certificate to the Common Depositary, CDP or the CMU (as the case may be) will credit each subscriber with a nominal amount of Covered Bonds equal to the nominal amount thereof for which it has subscribed and paid. Upon the initial deposit of a Global Certificate in respect of, and registration of, Registered Covered Bonds in the name of a nominee for DTC and delivery of the relevant Global Certificate to the Custodian for DTC, DTC will credit each participant with a nominal amount of Covered Bonds equal to the nominal amount thereof for which it has subscribed and paid.

Covered Bonds that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the applicable Pricing Supplement) other clearing systems through direct or indirect accounts with CDP and/or the CMU and/or Euroclear and Clearstream held by such other clearing systems. Conversely, Covered Bonds that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with CDP, the CMU, Euroclear, Clearstream or other clearing systems.

While any Covered Bond is represented by a Temporary Global Covered Bond, payments of principal, interest (if any) and any other amount payable in respect of the Covered Bonds due prior to the Exchange Date will be made against presentation of the Temporary Global Covered Bond only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Covered Bond are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by CDP and/or the CMU Lodging and Paying Agent and/or Euroclear and/or Clearstream and (in the case of a Temporary Global Covered Bond delivered to a Common Depositary for Euroclear and/or Clearstream) Euroclear and/or Clearstream, as applicable, has given a like certification (based on the certifications it has received) to the Agent or (in the case of Covered Bonds cleared through CDP) CDP has given a like certificate (based on the certification it has received) to the CDP Paying Agent.

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of CDP, DTC, Euroclear, Clearstream or any other permitted clearing system ("**Alternative Clearing System**") as the holder of a Covered Bond represented by a Global Covered Bond or a Global Certificate must look solely to CDP, DTC, Euroclear, Clearstream or any such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Covered Bond or the holder of the underlying Registered Covered Bonds, as the case may be, and in relation to all other rights arising under the Global Covered Bonds or Global Certificates, subject to and in accordance with the respective rules and procedures of DTC, Euroclear, Clearstream or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Covered Bonds for so long as the Covered Bonds are represented by such Global Covered Bond or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Covered Bond or the holder of the underlying Registered Covered Bonds, as the case may be, in respect of each amount so paid.

If a Global Covered Bond or Global Certificate is lodged with a sub-custodian for or registered with the CMU, the person(s) for whose account(s) interests in such Global Covered Bond or Global Certificate are credited as being held in the CMU in accordance with the CMU Rules shall be the only person(s) entitled (or, in the case of Registered Covered Bonds, directed or deemed by the CMU as entitled) to receive payments in respect of Covered Bonds represented by such Global Covered Bond or Global Certificate and the Issuer will be discharged by payment to, or to the order of, such person(s) for whose account(s) interests in such Global Covered Bond (or Global Certificate are credited as being held in the CMU in respect of each amount so paid). Each of the persons shown in the records of the CMU as the beneficial holder of a particular nominal amount of Covered Bonds represented by such Global Covered Bond or Global Certificate must look solely to the CMU Lodging and Paying Agent for his share of each payment so made by the Issuer in respect of such Global Covered Bond or Global Certificate.

Exchange

1. TEMPORARY GLOBAL COVERED BONDS

Each Temporary Global Covered Bond will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (a) if the applicable Pricing Supplement indicates that such Global Covered Bond is issued in compliance with TEFRA C or in a transaction to which TEFRA is not applicable (as to which, see "*Summary of the Programme – Selling Restrictions*" in whole, but not in part, for the Definitive Covered Bonds defined and described below; and
- (b) otherwise, in whole or in part, upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a Permanent Global Covered Bond or, if so provided in the applicable Pricing Supplement, for Definitive Covered Bonds.

The CMU may require that any such exchange for a Permanent Global Covered Bond is made in whole and not in part and, in such event, no such exchange will be effected until all relevant account holders (as set out in a CMU Instrument Position Report (as defined in the rules of the CMU) or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU) have so certified.

2. PERMANENT GLOBAL COVERED BONDS

Each Permanent Global Covered Bond will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under "*Partial Exchange of Permanent Global Covered Bonds*" of paragraph 3 below, in part for Definitive Covered Bonds:

- (a) if the Permanent Global Covered Bond is held on behalf of the CMU, Euroclear or Clearstream or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or
- (b) if the Permanent Global Covered Bond is held on behalf of CDP, (a) an Issuer Event of Default, enforcement event or analogous event entitling an accountholder or the Bond Trustee to declare the Covered Bonds due and payable as provided in the Conditions has occurred and is continuing, (b) CDP is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise)
- (c) CDP announces an intention permanently to cease business and no Alternative Clearing System is available or (d) CDP has notified the Issuer that it is unable or unwilling to act as depository for the Covered Bonds and to continue performing its duties as set out in the terms and conditions for the provision of depository services and no Alternative Clearing System is available; or
- (d) if principal in respect of any Covered Bonds is not paid when due, by the holder giving notice to the Issuing and Paying Agent (or, in the case of Covered Bonds lodged with the CMU, the CMU Lodging and Paying Agent) of its election for such exchange.

In the event that a Global Covered Bond is exchanged for Definitive Covered Bonds, such Definitive Covered Bonds shall be issued in Specified Denomination(s) only. A Covered Bondholder who holds a nominal amount of less than the minimum Specified Denomination will not receive a Definitive Covered Bond in respect of such holding and would need to purchase a nominal amount of Covered Bonds such that it holds an amount equal to one or more Specified Denominations.

Covered Bonds which are represented by a Global Covered Bond will only be transferable in accordance with the rules and procedures for the time being of CDP, the CMU, Euroclear or Clearstream.

3. GLOBAL CERTIFICATES

Unrestricted Global Certificates

If the Pricing Supplement states that the Covered Bonds are to be represented by an Unrestricted Global Certificate on issue, the following will apply in respect of transfers of Covered Bonds held in CDP, the CMU, DTC, Euroclear or Clearstream or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Covered Bonds within a clearing system while they are held on behalf of such clearing system, but will limit the circumstances in which the Covered Bonds may be withdrawn from the relevant clearing system. Transfers of the holding of Covered Bonds represented by any Unrestricted Global Certificate pursuant to Condition 2(b) (*Transfer of Registered Covered Bonds*) may be made:

- (a) in whole or in part, if the Unrestricted Global Certificate is held on behalf of the CMU, Euroclear or Clearstream or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or
- (b) in whole or in part, if the Unrestricted Global Certificate is held on behalf of CDP, (i) an Issuer Event of Default, enforcement event or analogous event entitling an accountholder or the Bond Trustee to declare the Covered Bonds due and payable as provided in the Conditions has occurred and is continuing, (ii) CDP is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise), (iii) CDP announces an intention permanently to cease business and no Alternative Clearing System is available or (iv) CDP has notified the Issuer that it is unable or unwilling to act as depository for the Covered Bonds and to continue performing its duties as set out in the terms and conditions for the provision of depository services and no Alternative Clearing System is available; or
- (c) in whole but not in part, if such Covered Bonds are held on behalf of a Custodian for DTC and if DTC notifies the Issuer that it is no longer willing or able to discharge properly its responsibilities as depository with respect to that Unrestricted Global Certificate or DTC ceases to be a "clearing agency" registered under the Exchange Act or is at any time no longer eligible to act as such, and the Issuer is unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC; or
- (d) in whole or in part, with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph (a) above, the registered holder of the Covered Bonds (the "**Registered Holder**") has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

Restricted Global Certificates

If the Pricing Supplement states that the Restricted Covered Bonds are to be represented by a Restricted Global Certificate on issue, the following will apply in respect of transfers of Covered Bonds held in DTC. These provisions will not prevent the trading of interests in the Covered Bonds within a clearing system whilst they are held on behalf of DTC, but will limit the circumstances in which the Covered Bonds may be withdrawn from DTC. Transfers of the holding of Covered

Bonds represented by that Restricted Global Certificate pursuant to Condition 2(b) (*Transfer of Registered Covered Bonds*) may only be made:

- (a) in whole but not in part, if such Covered Bonds are held on behalf of a Custodian for DTC and if DTC notifies the Issuer that it is no longer willing or able to discharge properly its responsibilities as depositary with respect to that Restricted Global Certificate or DTC ceases to be a "clearing agency" registered under the Exchange Act or is at any time no longer eligible to act as such, and the Issuer is unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC; or
- (b) in whole or in part, with the Issuer's consent,

provided that, in the case of any transfer pursuant to (a) above, the relevant Registered Holder has given the relevant Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer. Individual Certificates issued in exchange for a beneficial interest in a Restricted Global Certificate shall bear the legend applicable to such Covered Bonds as set out in "*Transfer Restrictions*".

Partial Exchange of Permanent Global Covered Bonds

For so long as a Permanent Global Covered Bond is held on behalf of a clearing system and the rules of that clearing system permit, such Permanent Global Covered Bond will be exchangeable in part on one or more occasions for Definitive Covered Bonds if so provided in, and in accordance with, the Conditions (which will be set out in the applicable Pricing Supplement) relating to Partly-paid Covered Bonds.

4. Delivery of Covered Bonds

On or after any due date for exchange, the holder of a Global Covered Bond may surrender such Global Covered Bond or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent (or, in the case of Covered Bonds lodged with the CMU, the CMU Lodging and Paying Agent). In exchange for any Global Covered Bond, or the part thereof to be exchanged, the Issuer will:

- (a) in the case of a Temporary Global Covered Bond exchangeable for a Permanent Global Covered Bond, deliver, or procure the delivery of, a Permanent Global Covered Bond in an aggregate nominal amount equal to that of the whole or that part of a Temporary Global Covered Bond that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Covered Bond to reflect such exchange; or
- (b) in the case of a Global Covered Bond exchangeable for Definitive Covered Bonds, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Covered Bonds. Global Covered Bonds and Definitive Covered Bonds will be delivered outside the United States and its possessions. In this Offering Memorandum, "**Definitive Covered Bonds**" means, in relation to any Global Covered Bond, the definitive Bearer Covered Bonds for which such Global Covered Bond may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Covered Bond and, if applicable, a Talon). Definitive Covered Bonds will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Bond Trust Deed. On exchange in full of each Permanent Global Covered Bond, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Covered Bonds.

5. Exchange Date

"**Exchange Date**" means, in relation to a Temporary Global Covered Bond, the day falling after the expiry of 40 days after its issue date and, in relation to a Permanent Global Covered Bond, a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and in the city in which the relevant clearing system is located.

Amendment to Conditions

The Global Covered Bonds and Global Certificates contain provisions that apply to the Covered Bonds that they represent, some of which modify the effect of the terms and conditions of the Covered Bonds set out in this Offering Memorandum. The following is a summary of certain of those provisions:

(a) **Payments**

Except in the case of Definitive Covered Bonds where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Pricing Supplement, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (i) in the case of Fixed Rate Covered Bonds which are represented by a Global Covered Bond, the aggregate outstanding nominal amount of the Fixed Rate Covered Bonds represented by such Global Covered Bond (or, if a Covered Bond is specified as being partly paid, the aggregate amount paid up); or
- (ii) in the case of Fixed Rate Covered Bonds in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction.

No payment falling due after the Exchange Date will be made on any Global Covered Bond unless exchange for an interest in a Permanent Global Covered Bond or for Definitive Covered Bonds is improperly withheld or refused. Payments on any Temporary Global Covered Bond issued in compliance with TEFRA D before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Covered Bonds represented by a Global Covered Bond (except with respect to a Global Covered Bond held through the CMU) will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Covered Bonds, surrender of that Global Covered Bond to or to the order of the Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Covered Bondholders for such purpose. A record of each payment so made will be endorsed on each Global Covered Bond, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Covered Bonds. For the purpose of any payments made in respect of a Global Covered Bond, the relevant place of presentation shall be disregarded in the definition of "business day" set out in Condition 6(j) (*Non-Business Days*).

All payments made in respect of Covered Bonds represented by a Global Certificate held on behalf of Euroclear or Clearstream will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means Monday to Friday inclusive except 25 December and 1 January.

All payments made in respect of Covered Bonds represented by a Global Certificate held by CDP will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the fifth business day prior to the date of payment.

In respect of a Global Covered Bond or Global Certificate representing Covered Bonds held through the CMU, any payments of principal, interest (if any) or any other amounts shall be made to the person(s) for whose account(s) interests in the relevant Global Covered Bond or Global Certificate are credited (as set out in the records of the CMU) at the close of business on the Clearing System Business Day immediately prior to the date for payment and, save in the case of final payment, no presentation of the relevant bearer Global Covered Bond or Global Certificate shall be required for such purpose.

(b) **Prescription**

Claims against the Issuer in respect of Covered Bonds that are represented by a Permanent Global Covered Bond will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 7 (*Taxation*)).

(c) **Meetings**

The holder of a Permanent Global Covered Bond or of the Covered Bonds represented by a Global Certificate shall (unless such Permanent Global Covered Bond or Global Certificate represents only one Covered Bond) be treated as being two persons for the purposes of any quorum requirements of a meeting of Covered Bondholders and, at any such meeting, the holder of a Permanent Global Covered Bond shall be treated as having one vote in respect of each SGD 1.00 in nominal amount of Covered Bonds held, converted into Singapore dollars, if such Covered Bonds are not denominated in Singapore dollars, at the relevant Covered Bond Swap Rate. (All holders of Registered Covered Bonds are entitled to one vote in respect of each SGD 1.00 in nominal amount of Covered Bonds held, converted into Singapore dollars, if such Covered Bonds are not denominated in Singapore dollars, at the relevant Covered Bond Swap Rate, whether or not represented by a Global Certificate.)

(d) **Cancellation**

Cancellation of any Covered Bond represented by a Permanent Global Covered Bond that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant Permanent Global Covered Bond.

(e) **Purchase**

Covered Bonds represented by a Permanent Global Covered Bond may, at any time, only be purchased by the Issuer or any of its subsidiaries if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

(f) **Issuer's Option**

Any option of the Issuer provided for in the Conditions of any Covered Bonds while such Covered Bonds are represented by a Permanent Global Covered Bond shall be exercised by the Issuer giving notice to the Covered Bondholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Bearer Covered Bonds drawn, or in the case of Registered Covered Bonds, shall not be required to specify the nominal amount of Registered Covered Bonds drawn and the holder(s) of such Registered Covered Bond, in the case of a partial exercise of an option and accordingly no drawing of Covered Bonds shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Covered Bonds of any Series, the rights of accountholders with a clearing system in respect of the Covered Bonds will be governed by the standard procedures of CDP, the CMU, DTC, Euroclear and/or Clearstream (to be reflected in the records of Euroclear and Clearstream as either a pool factor or a reduction in nominal amount, at their discretion) or any other clearing system (as the case may be).

(g) **Covered Bondholders' Options**

Any option of the Covered Bondholders provided for in the Conditions of any Covered Bonds while such Covered Bonds are represented by a Permanent Global Covered Bond or a Global Certificate may be exercised by the holder of the Permanent Global Covered Bond or Global Certificate giving notice to the Issuing and Paying Agent (or, in the case of Covered Bonds lodged with the CMU, the CMU Lodging and Paying Agent and, in the case of Covered Bonds cleared through CDP, the CDP Paying Agent) within the time limits relating to the deposit of Covered Bonds with a Paying Agent set out in the

Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Bearer Covered Bonds, or, in the case of Registered Covered Bonds, shall not be required to specify the nominal amount of Registered Covered Bonds and the holder(s) of such Registered Covered Bonds, in respect of which the option has been exercised, and stating the nominal amount of Covered Bonds in respect of which the option is exercised and at the same time presenting the Permanent Global Covered Bond or a Global Certificate to the Issuing and Paying Agent, or, in the case of Covered Bonds lodged with the CMU, the CMU Lodging and Paying Agent and, in the case of Covered Bonds cleared through CDP, the CDP Paying Agent or to a Paying Agent acting on behalf of the Issuing and Paying Agent, for notation.

(h) **Bond Trustee's Powers**

In considering the interests of Covered Bondholders while any Global Covered Bond is held on behalf of, or Registered Covered Bonds are registered in the name of any nominee for, a clearing system, the Bond Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Covered Bond or Global Certificate and may consider such interests as if such accountholders were the holders of the Covered Bonds represented by such Global Covered Bond or Global Certificate.

(i) **Direct Rights in respect of Covered Bonds cleared through CDP**

If any Issuer Event of Default has occurred and is continuing, the Bond Trustee may state in a notice given to the Issuing and Paying Agent and the Issuer (the "**default notice**") the nominal amount of Covered Bonds (which may be less than the outstanding nominal amount of the Global Covered Bond or Global Certificate) which is being declared due and payable. Following the giving of the default notice, the holder of the Covered Bonds represented by the Global Covered Bond or Global Certificate, as the case may be, cleared through CDP may (subject as provided below) elect that direct rights ("**Direct Rights**") under the provisions of the deed of covenant executed as a deed by SCBSL on 12 April 2024 (the "**CDP Deed of Covenant**") shall come into effect in respect of a nominal amount of Covered Bonds up to the aggregate nominal amount in respect of which such default notice has been given. Such election shall be made by notice to the Issuing and Paying Agent and the Registrar in the case of the Global Certificate and presentation of the Global Covered Bond or Global Certificate, as the case may be, to or to the order of the Issuing and Paying Agent for reduction of the nominal amount of Covered Bonds represented by the Global Covered Bond or Global Certificate, as the case may be, by such amount as may be stated in such notice and by endorsement of the appropriate Schedule hereto of the nominal amount of Covered Bonds in respect of which Direct Rights have arisen under the CDP Deed of Covenant. Upon each such notice being given, the Global Covered Bond or Global Certificate, as the case may be, shall become void to the extent of the nominal amount stated in such notice, save to the extent that the appropriate Direct Rights shall fail to take effect.

No such election may however be made on or before the Exchange Date or the date of transfer in respect of a Global Certificate unless the holder elects in such notice that the exchange for such Covered Bonds shall no longer take place.

(j) **Notices**

So long as any Covered Bonds are represented by a Global Covered Bond or Global Certificate and such Global Covered Bond or Global Certificate is held on behalf of a clearing system, notices to the holders of Covered Bonds of that Series may be given by delivery of the relevant notice to that clearing system (subject, in the case of the Global Covered Bond or Global Certificate held by CDP, to the agreement of CDP, and except for the Global Covered Bond held by the CMU) for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Covered Bond or Global Certificate

except that if the Covered Bonds are listed on the SGX-ST, and the rules of the SGX-ST so require, notice will in any event be published in accordance with the Conditions.

So long as any Covered Bonds are represented by a Global Covered Bond or Global Certificate and such Global Covered Bond or Global Certificate is held on behalf of the CMU, notices to the holders of Covered Bonds of that Series may be given by delivery of the relevant notice to the CMU in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Covered Bond or Global Certificate, and any such notice shall be deemed to have been given to the Covered Bondholders on the day on which such notice is delivered to the CMU.

(k) **Partly-paid Covered Bonds**

The provisions relating to Partly-paid Covered Bonds are not set out in this Offering Memorandum, but will be contained in the applicable Pricing Supplement and thereby in the Global Covered Bonds or Global Certificate. While any instalments of the subscription monies due from the holder of Partly-paid Covered Bonds are overdue, no interest in a Global Covered Bond representing such Covered Bonds may be exchanged for an interest in a Permanent Global Covered Bond or for Definitive Covered Bonds (as the case may be). If any Covered Bondholder fails to pay any instalment due on any Partly-paid Covered Bonds within the time specified, the Issuer may forfeit such Covered Bonds and shall have no further obligation to their holder in respect of them.

(l) **Electronic Consent and Written Resolution**

For so long as the Covered Bonds (other than CDP Covered Bonds) are in the form of a Global Covered Bond held on behalf of, or a Global Certificate registered in the name of any nominee for, one or more of Euroclear, Clearstream or another clearing system, then, in respect of any resolution proposed by the Issuer, the Covered Bond Guarantor or the Bond Trustee:

- (i) where the terms of the proposed resolution have been notified to the Covered Bondholders through the relevant clearing system(s), each of the Issuer, the Covered Bond Guarantor and the Bond Trustee shall be entitled to rely upon approval of such resolution proposed by the Issuer, the Covered Bond Guarantor or the Bond Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 90% in nominal amount of the Covered Bonds outstanding (an "**Electronic Consent**" as defined in the Bond Trust Deed). None of the Issuer, the Covered Bond Guarantor or the Bond Trustee shall be liable or responsible for such reliance; and
- (ii) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution has been validly passed, the Issuer, the Covered Bond Guarantor and the Bond Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer, the Covered Bond Guarantor and/or the Bond Trustee, as the case may be, by accountholders in the clearing system with entitlements to such Global Covered Bonds or Global Certificate or, where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries and **provided that**, in each case, the Issuer, the Covered Bond Guarantor and the Bond Trustee have obtained commercially reasonable evidence to ascertain the validity of such holding and have taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction and prior to the effecting of such amendment. Any resolution passed in such manner shall be binding on all Covered Bondholders and Couponholders, even if the relevant consent or instruction proves to be defective. As used in this paragraph, "**commercially reasonable evidence**" includes any certificate or other document issued by

Euroclear, Clearstream or any other relevant clearing system, or issued by an accountholder of them or an intermediary in a holding chain, in relation to the holding of interests in the Covered Bonds. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or EasyWay or Clearstream's CreationOnline or Xact Web Portal system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Covered Bonds is clearly identified together with the amount of such holding. The Issuer and/or the Covered Bond Guarantor shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

A Written Resolution and/or Electronic Consent shall take effect as an Extraordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all Covered Bondholders and holders of Coupons, Talons and Receipts, whether or not they participated in such Written Resolution and/or Electronic Consent.

CLEARING AND SETTLEMENT

*The following is a summary of the rules and procedures of CDP, the CMU, DTC, Euroclear and Clearstream (together, the "**Clearing Systems**"), currently in effect, as they relate to clearing and settlement of transactions involving the Covered Bonds. The rules and procedures of these systems are subject to change at any time. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Sole Arranger, any Dealer nor any party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Covered Bonds held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. The applicable Pricing Supplement will specify the Clearing System(s) applicable for each Series.*

The Clearing Systems

DTC

DTC has advised the Issuer that it is a limited purpose trust company organised under the New York Banking Law, a "banking organisation" within the meaning of the New York Banking Law, a member of the U.S. Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC holds and provides asset servicing securities that its participants ("**Participants**") deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerised book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. DTC is owned by a number of its direct participants ("**Direct Participants**") which include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**").

Under the rules, regulations and procedures creating and affecting DTC and its operations (the "**Rules**") DTC makes book-entry transfers of Registered Covered Bonds among Direct Participants on whose behalf it acts with respect to Covered Bonds accepted into DTC's book-entry settlement system ("**DTC Covered Bonds**") as described below and receives and transmits distributions of principal and interest on DTC Covered Bonds. The Rules are on file with the U.S. Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Covered Bonds ("**Owners**") have accounts with respect to the DTC Covered Bonds similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Covered Bonds through Direct Participants or Indirect Participants will not possess Registered Covered Bonds, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Covered Bonds.

Purchases of DTC Covered Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Covered Bonds on DTC's records. The ownership interest of each actual purchaser of each DTC Covered Bond ("**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Covered Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Covered Bonds, except in the event that use of the book-entry system for the DTC Covered Bonds is discontinued.

To facilitate subsequent transfers, all DTC Covered Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co, or such other nominee as may be requested by an authorised representative of DTC. The deposit of DTC Covered Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Covered Bonds; DTC's

records reflect only the identity of the Direct Participants to whose accounts such DTC Covered Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the DTC Covered Bonds unless authorised by a Direct Participant in accordance with DTC's MMI Procedures, within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to DTC Covered Bonds unless authorised by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Covered Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy). Principal and interest payments on the DTC Covered Bonds will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the due date for payment in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the due date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Issuer, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

Under certain circumstances, including if there is an Issuer Event of Default under the Covered Bonds, DTC will exchange the DTC Covered Bonds for definitive Registered Covered Bonds, which it will distribute to its Participants in accordance with their proportionate entitlements and which, if representing interests in a Restricted Global Certificate, will be legended as set forth under "*Transfer Restrictions*".

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Beneficial Owner desiring to pledge DTC Covered Bonds to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Covered Bonds, will be required to withdraw its Registered Covered Bonds from DTC as described below.

Euroclear and Clearstream

Euroclear and Clearstream each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear and Clearstream is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream participant, either directly or indirectly. Euroclear and Clearstream have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Distributions of principal with respect to book-entry interests in the Covered Bonds held through Euroclear or Clearstream will be credited, to the extent received by the Paying Agent, to the cash accounts of Euroclear or Clearstream participants in accordance with the relevant system's rules and procedures.

The CMU

The CMU is a central depository service provided by the Central Moneymarkets Unit of the HKMA for the safe custody and electronic trading between the members of this service ("**CMU Members**") of Exchange Fund Bills and Notes Clearing and Settlement Service securities and capital markets instruments (together,

"**CMU Instruments**") which are specified in the CMU Reference Manual as capable of being held within the CMU.

The CMU is only available to CMU Instruments issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such persons. Membership of the CMU is open to all financial institutions regulated by the Hong Kong Monetary Authority, Securities and Futures Commission, Insurance Authority or Mandatory Provident Fund Schemes Authority. For further details on the full range of the CMU's custodial services, please refer to the CMU Reference Manual.

The CMU has an income distribution service which is a service offered by the CMU to facilitate the distribution of interest, coupon or redemption proceeds (collectively, the "**income proceeds**") by CMU Members who are paying agents to the legal title holders of CMU Instruments via the CMU system. Furthermore, the CMU has a corporate action platform which allows an issuer (or its agent) to make an announcement/notification of a corporate action and noteholders to submit the relevant certification. For further details, please refer to the CMU Reference Manual. An investor holding an interest through an account with either Euroclear or Clearstream, in any Covered Bonds held in the CMU will hold that interest through the respective accounts which Euroclear and Clearstream, each have with the CMU.

CDP

In respect of Covered Bonds which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities ("**Depository System**") maintained by CDP.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

In respect of Covered Bonds which are accepted for clearance by CDP, the entire issue of the Covered Bonds is to be held by CDP in the form of a Global Covered Bond for persons holding the Covered Bonds in securities accounts with CDP ("**Depositors**"). Delivery and transfer of Covered Bonds between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors.

Settlement of over-the-counter trades in the Covered Bonds through the Depository System may be effected through securities sub-accounts held with corporate depositors ("**Depository Agents**"). Depositors holding the Covered Bonds in direct securities accounts with CDP, and who wish to trade Covered Bonds through the Depository System, must transfer the Covered Bonds to be traded from such direct securities accounts to a securities sub-account with a Depository Agent for trade settlement.

CDP is not involved in money settlement between the Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payment of interest and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfer of interests in the Covered Bonds in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Issuing and Paying Agent or any other agent will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

Book-Entry Ownership

Bearer Covered Bonds

The Issuer will make applications to Euroclear and Clearstream for acceptance in their respective book-entry systems in respect of any Series of Bearer Covered Bonds. The Issuer may also apply to have Bearer Covered Bonds accepted for clearance through the CMU and CDP. In respect of Bearer Covered Bonds, a Temporary Global Covered Bond and/or a Permanent Global Covered Bond in bearer form without coupons will be deposited with a Common Depository for Euroclear and Clearstream and/or sub-custodian for CDP and the CMU. Transfers of interests in a Temporary Global Covered Bond or a Permanent Global Covered Bond will be made in accordance with the normal Euromarket debt securities operating procedures of CDP,

the CMU Euroclear and Clearstream. Each Global Covered Bond will have an ISIN and a Common Code or, if lodged with a sub-custodian for the CMU, will have a CMU Instrument Number.

Registered Covered Bonds

The Issuer may make applications to Euroclear and Clearstream, CDP and the CMU, for acceptance in their respective book-entry systems in respect of the Unrestricted Covered Bonds to be represented by each Unrestricted Global Certificate. Each Unrestricted Global Certificate will have an ISIN and a Common Code or, if lodged with a sub-custodian for the CMU, will have a CMU Instrument Number.

The Issuer may make application to DTC for acceptance in its book-entry settlement system of the Unrestricted Covered Bonds and/or the Restricted Covered Bonds represented by each Global Certificate. Each Global Certificate accepted for clearance in DTC will have a CUSIP number. Each Restricted Global Certificate will be subject to restrictions on transfer contained in a legend appearing on the front of such Certificate, as set out under "*Transfer Restrictions*". In certain circumstances, as described below in "*Transfers of Registered Covered Bonds*", transfers of interests in a Restricted Global Certificate may be made as a result of which such legend is no longer applicable (see "*Transfers of Registered Covered Bonds*").

The custodian with whom the Global Certificates are deposited (the "**Custodian**") and DTC will electronically record the nominal amount of the individual beneficial interests represented by such Global Certificate to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer. Ownership of beneficial interests in such a Global Certificate will be limited to Direct Participants or Indirect Participants, including, in the case of any Regulation S Global Certificate, the respective depositaries of Euroclear and Clearstream. Ownership of beneficial interests in a Global Certificate accepted by DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments of the principal of, and interest on, each Global Certificate registered in the name of DTC's nominee will be to or to the order of its nominee as the registered owner of such Global Certificate. The Issuer expects that the nominee, upon receipt of any such payment, will immediately credit DTC participants' accounts with payments in amounts proportionate to their respective beneficial interests in the nominal amount of the relevant Global Certificate as shown on the records of DTC or the nominee. The Issuer also expects that payments by DTC participants to owners of beneficial interests in such Global Certificate held through such DTC participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such DTC participants. None of the Issuer nor any Paying Agent or any Transfer Agent (each an "**Agent**") will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in the Global Certificates or for maintaining, supervising or reviewing any records relating to such ownership interests.

All Registered Covered Bonds will initially be in the form of an Unrestricted Global Certificate and/or a Restricted Global Certificate. Individual definitive Registered Covered Bonds will only be available, in the case of Unrestricted Covered Bonds, in amounts specified in the applicable Pricing Supplement, and, in the case of Restricted Covered Bonds, in amounts of USD200,000 (or its equivalent in other currencies), or higher integral multiples of USD1,000 (or its equivalent in other currencies), in certain limited circumstances described below.

Individual Certificates

Registration of title to Registered Covered Bonds in a name other than a depositary or its nominee for Euroclear and Clearstream a sub-custodian for the CDP or the CMU or DTC will not be permitted unless:

- (i) in the case of Restricted Covered Bonds, DTC notifies the Issuer that it is no longer willing or able to discharge properly its responsibilities as depositary with respect to the Restricted Global Certificate, or ceases to be a "clearing agency" registered under the Exchange Act, or is at any time no longer eligible to act as such and the Issuer is unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC; or

- (ii) in the case of Unrestricted Covered Bonds, Euroclear or Clearstream is or a sub-custodian for the CMU is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does, in fact, do so or, if such Global Certificate is held on behalf of CDP, and there shall have occurred and be continuing an Issuer Event of Default or CDP is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or CDP announces an intention permanently to cease business and no Alternative Clearing System is available or CDP has notified the Issuer that is unable or unwilling to act as depository for the Covered Bonds and to continue performing its duties under the Master Depository Services Agreement and no Alternative Clearing System is available. In such circumstances, the Issuer will cause sufficient individual definitive Registered Covered Bonds to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant Covered Bondholder(s).

A person having an interest in a Global Certificate must provide the Registrar with:

- (a) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual definitive Registered Covered Bonds; and
- (b) in the case of a Restricted Global Certificate only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange, or, in the case of a simultaneous resale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Individual definitive Registered Covered Bonds issued pursuant to this paragraph (b) shall bear the legends applicable to transfers pursuant to Rule 144A.

Transfers of Registered Covered Bonds

Transfers of interests in Global Certificates within CDP, the CMU, DTC, Euroclear and Clearstream will be effected in accordance with the usual rules and operating procedures of the relevant clearing system. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities. Consequently, the ability to transfer interests in a Restricted Global Certificate to such persons may be limited. Because DTC can only act on behalf of direct participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Restricted Global Certificate to pledge such interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

Beneficial interests in an Unrestricted Global Certificate may be held only through CDP, the CMU, Euroclear or Clearstream. Transfers may be made at any time by a holder of an interest in an Unrestricted Global Certificate to a transferee who wishes to take delivery of such interest through the Restricted Global Certificate for the same Series of Covered Bonds, **provided that** any such transfer made on or prior to the expiration of the distribution compliance period (as defined in Regulation S) relating to the Covered Bonds represented by such Unrestricted Global Certificate will only be made upon receipt by the Registrar or any Transfer Agent of a written certificate from Euroclear or Clearstream, as the case may be (based on a written certificate from the transferor of such interest), to the effect that such transfer is being made to a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities law of any state of the United States or any other jurisdiction. Any such transfer made thereafter of the Covered Bonds represented by such Unrestricted Global Certificate will only be made upon request through Euroclear or Clearstream by the holder of an interest in the Unrestricted Global Certificate to the Issuing and Paying Agent and receipt by the Issuing and Paying Agent of details of that account at DTC to be credited with the relevant interest in the Restricted Global Certificate. Transfers at any time by a holder of any interest in the Restricted Global Certificate to a transferee who takes delivery of such interest through an Unrestricted Global Certificate will only be made upon delivery to the Registrar or any Transfer Agent of a certificate setting forth compliance with the provisions of Regulation S and giving details of the account at Euroclear or Clearstream, as the case may be, and DTC to be credited and debited, respectively, with an interest in the relevant Global Certificates.

Subject to compliance with the transfer restrictions applicable to the Registered Covered Bonds described above and under "*Transfer Restrictions*", cross-market transfers between DTC, on the one hand, and directly or indirectly through Euroclear or Clearstream, on the other, will be effected by the relevant

clearing system in accordance with its rules and through action taken by the Custodian, the Registrar and the Issuing and Paying Agent.

On or after the Issue Date for any Series of Registered Covered Bonds, transfers of Covered Bonds of such Series between accountholders in Euroclear and Clearstream will generally have a settlement date two business days after the trade date (T+2), unless the parties agree to an alternative settlement date at the time of the transaction. The customary arrangements for delivery versus payment will apply to such transfers. On or after the Issue Date for any Series of Registered Covered Bonds, transfers of Covered Bonds of such Series between accountholders in DTC will generally have a settlement date one business day after the trade date (T+1), unless the parties agree to an alternative settlement date at the time of the transaction. Such transfers may occur on a free delivery basis or delivery versus payment basis at the election of the parties.

Cross-market transfers between accountholders in Euroclear or Clearstream and DTC participants will need to have an agreed settlement date among the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Euroclear and Clearstream, on the other, transfers of interests in the relevant Global Registered Certificates will be effected through the Issuing and Paying Agent, the Custodian and the Registrar receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. Transfers will be effected on the later of (i) three business days after the trade date for the disposal of the interest in the relevant Global Registered Certificate resulting in such transfer and (ii) two business days after receipt by the Issuing and Paying Agent or the Registrar, as the case may be, of the necessary certification or information to effect such transfer. In the case of cross-market transfers, settlement between Euroclear or Clearstream and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

For a further description of restrictions on transfer of Registered Covered Bonds, see "*Transfer Restrictions*".

DTC will take any action permitted to be taken by a holder of Registered Covered Bonds (including, without limitation, the presentation of Restricted Global Certificates for exchange as described above) only at the direction of one or more participants in whose account with DTC interests in Restricted Global Certificates are credited and only in respect of such portion of the aggregate nominal amount of the relevant Restricted Global Certificates as to which such participant or participants has or have given such direction. However, in the circumstances described above, DTC will surrender the relevant Restricted Global Certificates for exchange for individual definitive Registered Covered Bonds (which will, in the case of Restricted Covered Bonds, bear the legend applicable to transfers pursuant to Rule 144A).

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures in order to facilitate transfers of beneficial interests in the Global Certificates among participants and accountholders of DTC, Euroclear and Clearstream, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer or any Agent will have any responsibility for the performance by DTC, Euroclear, Clearstream or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations.

While a Restricted Global Certificate is lodged with DTC or the Custodian, Restricted Covered Bonds represented by individual definitive Registered Covered Bonds will not be eligible for clearing or settlement through DTC, Euroclear or Clearstream.

Pre-issue Trades Settlement for Registered Covered Bonds

It is expected that delivery of Covered Bonds will be made against payment therefor on the relevant Issue Date, which could be more than three business days following the date of pricing. Under Rule 15c6-1 of the U.S. Securities and Exchange Commission under the Exchange Act, trades in the United States secondary market generally are required to settle within one business days (T+1), unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Covered Bonds in the United States on the date of pricing or the next succeeding business days until the relevant Issue Date will be required, by virtue of the fact that the Covered Bonds initially will settle beyond T+1, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Covered Bonds may be affected by such local settlement practices

and purchasers of Covered Bonds who wish to trade Covered Bonds between the date of pricing and the relevant issue date should consult their own adviser.

USE OF PROCEEDS

The net proceeds from the issue of each Tranche of Covered Bonds will be used for general business purposes of the SCBSL Group, unless otherwise specified in the applicable Pricing Supplement.

CAPITALISATION AND INDEBTEDNESS OF THE SCBSL GROUP

The following table sets forth the capitalisation and indebtedness of the SCBSL Group as at 31 December 2025, based on or derived from the audited consolidated financial statements of the SCBSL Group unless otherwise indicated.

	As at 31 December 2025		
	Total	In SGD millions More than one year	Within one year
Liabilities			
Deposits and balances of banks.....	5,993	0	5,993
Deposits of non-bank customers.....	148,820	32	148,788
Structured notes and deposits.....	4,304	2,928	1,376
Derivative financial instruments and other trading liabilities	6,943	879	6,064
Bills and drafts payable	2,845	1	2,844
Amounts due to intermediate holding company and its branches	3,893	39	3,854
Amounts due to related corporations.....	3,576	1,296	2,280
Current tax payable	206	0	206
Other liabilities.....	6,558	163	6,395
Subordinated notes.....	3,409	3,409	0
Deferred tax liabilities	74	74	0
	186,621	8,821	177,800
Non-controlling interests	94		
Shareholders' funds			
Share capital.....	8,772		
Other equity instruments	750		
Reserves.....	181		
Retained earnings	3,137		
	12,840		
Total capitalisation⁽¹⁾	199,555		
Contingent liabilities	12,191		

Note:

(1) Includes liabilities, non-controlling interests and shareholders' funds.

DESCRIPTION OF THE BUSINESS OF THE SCBSL GROUP

Overview

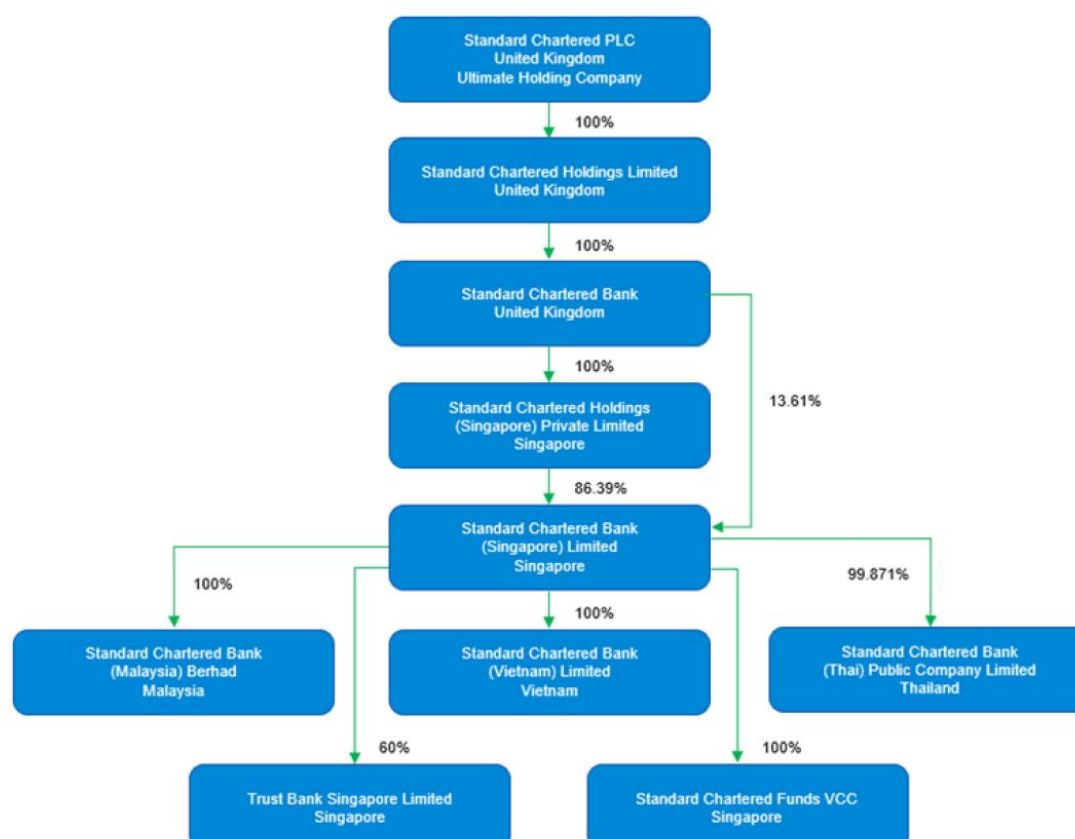
The SCPLC Group is one of the leading international banking and financial services group globally with more than 160 years of history. The SCPLC Group is focused on the markets of Asia, Africa, the Middle East, Europe and the Americas. As of 31 December 2025, the SCPLC Group has more than 81,000 employees across 54 markets. SCPLC's ordinary shares and preference shares are listed on the Official List and traded on the London Stock Exchange. SCPLC's ordinary shares are also listed on the Hong Kong Stock Exchange. SCPLC had a market capitalisation of approximately GBP40.9 billion based on the closing price per ordinary share on the London Stock Exchange as at 31 December 2025.

SCBSL was incorporated in Singapore in October 2012 and is licensed by the MAS as a bank with qualifying full bank privileges to engage in banking business in Singapore. SCBSL is an indirect wholly owned subsidiary of SCB, which in turn is wholly owned by SCPLC as the ultimate holding company.

The SCPLC Group has been present in Singapore for more than 167 years, having opened its first branch in Singapore in 1859. In 2019, the SCPLC Group fully consolidated the business operations in Singapore with SCBSL and in 2020, SCBSL was the first bank to be accorded enhanced Significant Rooted Foreign Bank privileges by the MAS. SCBSL is also the first domestic systemically important bank in Singapore to incorporate all its businesses in Singapore, and the largest foreign banking subsidiary in Singapore. As at 31 December 2025, SCBSL Group had S\$199.6 billion in total assets, S\$83.8 billion in loans and advances to customers, S\$148.8 billion in deposits of non-bank customers and S\$12.8 billion in total shareholders' equity (excluding non-controlling interests).

The SCBSL Group is headquartered in Singapore and has an operational presence in Malaysia, Vietnam and Thailand. On 1 September 2021, SCBSL formed an ASEAN hub with SCBMB and SCBMB became a wholly owned subsidiary of SCBSL. The formation of the Singapore-based ASEAN corporate entity hub was subsequently completed following the transfers of SCBTH and SCBVN to SCBSL on 1 November 2021 and 1 December 2021 respectively.

As of 31 December 2025, the corporate structure of the SCBSL Group is as follows



SCBSL is a highly rated commercial bank with issuer ratings of "A+" from Fitch, "A1" from Moody's and "A+" from S&P. SCBSL's credit ratings have stable outlooks from Fitch, Moody's and S&P.

Strengths

The SCBSL Group benefits from the following competitive strengths:

Singapore's only Enhanced Significantly Rooted Foreign Bank

SCBSL is an indirect wholly-owned subsidiary of SCPLC, a leading international banking and financial services group globally, focused on the markets of Asia, Africa, the Middle East, Europe and the Americas. As at 31 December 2025, the SCPLC group had more than 81,000 employees across 54 markets. As part of the SCPLC Group, the SCBSL Group benefits from the wide-spread international presence of the broader group, and is one of the SCPLC Group's largest income generators. As of the date of this Offering Memorandum, it is the only international bank present in all 10 ASEAN markets, including Malaysia, Thailand, Singapore and Vietnam.

Singapore is a key market in SCPLC's global strategy by supporting growth in its network, sustainable financing, mass retail, and wealth management businesses. SCBSL is the largest foreign bank in Singapore and one of the only foreign banks that has the scale and benefit of being relevant locally and globally, given its presence in Singapore since 1859. Its status is reflected by SCBSL being the first and, at the date of this Offering Memorandum, only bank to be awarded Enhanced Significantly Rooted Foreign Bank ("**ESRFB**") status under the MAS' Significantly Rooted Foreign Bank Framework. This status affords SCBSL certain competitive advantages, such as being able to operate additional places of business in Singapore and enables it to have the same flexibility as Singapore incorporated banking groups in establishing subsidiaries (including with joint venture partners) and operating new or alternative business models such as the digital-only bank. See "*– Strategy – Lead Digital Transformation*", below. The award of ESRFB status has been crucial to the implementation of SCBSL's digital banking strategic objectives, particularly through Trust Bank Singapore Limited ("**Trust Bank**"), the SCBSL Group's digital bank subsidiary.

SCBSL is one of the banks preferred by corporates in establishing regional treasury centres in Singapore, leveraging Singapore's well-developed infrastructure, stable socio-economic environment and unique position as a global financial centre and super-connector in ASEAN to support corporate and individual clients. This is further bolstered by government initiatives which drive greater trade and investment flows in ASEAN.

Healthy liquidity position and stable funding base

The SCBSL Group's funding base is stable, supported by strong customer franchises in its transaction banking and retail businesses. Non-bank customer deposits are well-diversified with a roughly equal split between corporate and retail, and continue to be the main funding source of the SCBSL Group across currencies, accounting for 74.6%¹, 74.1%¹ and 76.1%¹ of the SCBSL Group's overall funding in each of the financial years ended 31 December 2025, 2024 and 2023, respectively, with current accounts and saving accounts continuing to make up the bulk of deposits. In addition, the SCBSL Group also benefits from access to a S\$5,000,000,000 commercial paper and certificate of deposit programme, a US\$25,000,000,000 notes, certificates and warrants programme (with Standard Chartered Bank, Standard Chartered Bank (Hong Kong) Limited and SCBSL each as an issuer) and intragroup funding facilities from SCPLC. SCBSL believes that this Programme will provide added diversification and capital cost-efficiency to its funding sources.

The SCBSL Group also takes an active approach to managing its liquidity position, with liquid assets being predominantly in the form of cash and short-term central bank placements that it believes allow it to withstand annual and other periodic capital and daily liquidity stress tests. The SCBSL Group's loans-to-deposits ratio² was 62.5% at 31 December 2025, demonstrating its significant liquidity reserves.

¹ Calculated by dividing deposits of non-bank customers by the sum of total equity and liabilities

² Calculated by dividing total loans and advances to banks and loans and advances to customers by total deposits and balances of banks and deposits of non-bank customers.

Further, the SCBSL Group's liquidity coverage and net stable funding ratios have historically been, and continue to remain, at healthy levels, and in excess of the 100% regulatory limit imposed by the MAS. SCBSL's average Singapore dollar and all-currency liquidity coverage ratios³ were 253% and 192%, respectively, as at 31 December 2025. The SCBSL Group's net stable funding ratio⁴ was 137% as at 31 December 2025. SCBSL believes that the strength of its liquidity position provides it with a competitive advantage to accelerate medium-term asset growth and propel positive maturity transformation in line with its strategic objectives.

Strong capital base

The SCBSL Group benefits from a strong capital base which provides it with the ability to support strong dividend payments and pursue business growth in line with its strategic objectives. See "*Strategy*", below.

SCBSL maintains a CET1 ratio in excess of regulatory minimum of 9.0% (which includes the capital conservation buffer but excludes the countercyclical capital buffer). Apart from CET1 capital, SCBSL holds a significant amount of Additional Tier 1 and Tier 2 capital provided by its parent, Standard Chartered Bank. This is part of the internal loss absorbing capital that SCBSL is required to hold in line with SCPLC's resolution strategy with its regulator in the United Kingdom, the Prudential Regulation Authority. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations of the SCBSL Group – Capital Management*" elsewhere in this Offering Memorandum for details on the SCBSL Group's approach to capital management.

This provides the SCBSL Group with a competitive advantage in pursuing larger transactions and plays an important role in enhancing customer confidence and providing it with a buffer to absorb the impact of evolving capital rule changes.

See "*Management's Discussion and Analysis of Financial Condition and Results of Operations of the SCBSL Group – Capital Adequacy Ratios*" elsewhere in this Offering Memorandum for details on the SCBSL Group's capital adequacy ratios.

Stable and diversified loan portfolios

The majority of the SCBSL Group's loan exposures is to Singapore and is well-diversified across products and industries.

In the Corporate and Investment Banking ("**CIB**") segment, the SCBSL Group has a well-diversified corporate portfolio across industries, products, geographies and single name borrowers and is focused on investment grade lending.

In the Wealth and Retail Banking ("**WRB**") segment, SCBSL's portfolio is stable and resilient, with growth in the portfolio driven primarily by fully secured products including mortgage and wealth lending.

The following table sets forth the SCBSL Group's total gross loans and advances to customers by industry classification as at 31 December 2025, 2024 and 2023:

	Customer Loan Concentrations as at 31 December					
	2023		2024		2025	
	In S\$ millions, except percentages					
Manufacturing						
.....	5,325	7.7%	6,738	9.0%	7,314	8.6%
Building and construction						
.....	2,622	3.8%	2,779	3.7%	2,479	2.9%
Housing						
.....	23,080	33.5%	22,047	29.3%	24,228	28.6%
General commerce						
.....	5,123	7.4%	4,438	5.9%	5,074	6.0%
Transportation, storage and communications						
.....	2,935	4.3%	3,391	4.5%	3,617	4.3%

³ Calculated by dividing high quality liquid assets by total net cash outflows over a 30-day stress period

⁴ Calculated by dividing the amount of available stable funding by the amount of required stable funding over a one-year horizon

	Customer Loan Concentrations as at 31 December					
	2023		2024		2025	
	In S\$ millions, except percentages					
Financial institutions	3,904	5.7%	5,673	7.5%	5,506	6.5%
Professionals and private individuals (except housing loans)	20,362	29.5%	23,361	31.1%	27,496	32.5%
Others	5,618	8.1%	6,751	9.0%	8,852	10.5%
Total	68,969	100%	75,178	100%	84,566	100%

See "Description of the Assets and Liabilities of the SCBSL Group – Customer Loan Portfolio" elsewhere in this Offering Memorandum for more details on the SCBSL Group's customer loan portfolio.

Strategy

The SCBSL Group's growth priorities for the next five years are focused around deepening network corridors, growth in wealth management, investing in digital and infrastructure capabilities, and sustainable finance and new economy partnerships.

Deepening Network Corridors

The SCBSL Group is a leading international network bank in ASEAN and Singapore is an important hub for the SCBSL Group's clients to access the ASEAN region. The SCBSL Group aims to help its clients overcome obstacles to regionalisation, with specialty products in network banking, affluent retail banking and digital payments.

In the CIB business, the SCBSL Group has established corridors in Asia and beyond, with growth in the financial institutions, sustainable finance and digital space. CIB earns significant income from sources outside of Singapore, including Europe and Americas, ASEAN and South Asia, Greater China and North Asia, and Africa and the Middle East.

Inbound income refers to transactions originated from outside of Singapore but booked in Singapore. The SCBSL Group's inbound income increased by a compound annual growth rate⁵ ("CAGR") of 7% from the financial year ended 31 December 2023 to the financial year ended 31 December 2025, with diversified contribution, from the following markets:

- Americas, which contributed 21.7% of the SCBSL Group's inbound income for the financial year ended 31 December 2025;
- Europe, which contributed 17.7% of the SCBSL Group's inbound income for the financial year ended 31 December 2025;
- China, which contributed 17.4% of the SCBSL Group's inbound income for the financial year ended 31 December 2025; and
- India, which contributed 10.2% of the SCBSL Group's inbound income for the financial year ended 31 December 2025.

Network income refers to transactions originated in Singapore but booked outside of Singapore. The SCBSL Group's network income increased by a CAGR of 6% from the financial year ended 31 December 2023 to the financial year ended 31 December 2025 across diversified markets. Major markets which contributed to the SCBSL Group's network income are:

- Hong Kong, which contributed 23.3% of the SCBSL Group's network income for the financial year ended 31 December 2025;

⁵ Compound annual growth rate is calculated as (the final year value divided by the starting year value) raised to the power of (one divided by the number of years) then minus one, expressed as a percentage.

- ASEAN, which contributed 22.7% of the SCBSL Group's network income for the financial year ended 31 December 2025;
- Europe, which contributed 7.8% of the SCBSL Group's network income for the financial year ended 31 December 2025; and
- India, which contributed 7.1% of the SCBSL Group's network income for the financial year ended 31 December 2025.

The WRB business is present in 25 key markets, which provides an opportunity to help clients manage their wealth across borders. The SCBSL Group has accelerated its international banking offering to help clients manage their cross-border assets.

Income from international banking clients domiciled outside of Singapore increased by a CAGR of 25.1% from the financial year ended 31 December 2023 to the financial year ended 31 December 2025 and 20.6% from the financial year ended 31 December 2024 to the financial year ended 31 December 2025. The number of international banking clients domiciled outside of Singapore has also increased by a CAGR of 20.4% from the financial year ended 31 December 2023 to the financial year ended 31 December 2025.

Capture the wealth opportunity

Consistent with SCPLC's global strategy, the SCBSL Group aims to offer outstanding personalised advice for its Private, Priority and Retail banking clients in order to help them grow and prosper both internationally and in their home markets. See "*Client Segments – Wealth and Retail Banking*", below, for a description of the SCBS Group's HNWI client categories.

The SCBSL Group aims to maximise the reach of SCPLC's deep-rooted international network, with Singapore serving as a wealth advisory hub for the region to capture cross-border wealth inflows from Greater China, ASEAN, South Asia, and the Middle East.

As a result of the ongoing implementation of this strategy, priority client income and the number of priority clients increased by a CAGR of 12.7% and approximately 10.9%, respectively, from the financial year ended 31 December 2023 to the financial year ended 31 December 2025. Assets under management for affluent clients increased by a CAGR of 27.2% from the financial year ended 31 December 2023 to the financial year ended 31 December 2025 and 29.7% from the financial year ended 31 December 2024 to the financial year ended 31 December 2025.

Lead digital transformation

A key pillar of the SCBSL Group's strategy is to serve its client base through its growing digital capabilities. The SCBSL Group delivers banking solutions to help its clients prosper by integrating its digital services into clients' everyday lives. New digital solutions, strategic partnerships and advanced analytics are instrumental to the SCBSL Group's business, enabling it to significantly increase its relevance and reach, serve its clients in a meaningful way and lifting participation and financial services inclusion in the communities that it serves.

In the CIB space, client digital transaction initiation stood at 72.1% (2024: 68.3%) largely in cash, trade and foreign exchange. Client experience remained at the centre of digital transformation, with a customer satisfaction score of 76.5% (2024: 72%). SCBSL has launched a trade finance tokenisation pilot as part of the MAS' initiative to explore economic potential and value-adding use cases on issuance of token linked to assets, as well as supporting MAS' industry initiative, Project Greenprint, that aims to leverage better data to promote green finance.

Lastly, SCPLC formed SC Ventures to promote innovation, invest in disruptive financial technology and explore alternative business models. SCBSL is the hub for SC Ventures and four of its ventures were named among the 20 "hottest start-ups" in 2023 by the Singapore Business Review. These ventures were Olea, TASConnect, Standard Chartered Nexus and Trust Bank Singapore.

Client Segments

The SCBSL Group's key client segments are Corporate and Investment Banking, Wealth and Retail Banking and Ventures.

Prior to 1 April 2024, (a) the Corporate and Investment Banking segment was named Corporate, Commercial and Institutional Banking, and (b) the Wealth and Retail Banking segment was named Consumer, Private and Business Banking. The SCBSL Group decided that the renaming of the business segments provided clearer and more intuitive descriptions of the underlying business activities while bringing together products with similar income and balance sheet attributes. There were no changes to the product lines reported under each of the business segments solely as a result of the renaming of the business segments.

CIB

CIB supports local and large corporations, governments, banks and investors with their transaction services, banking, and financial market needs. CIB provides differentiated cross-border capabilities to over 17,000 clients in some of the world's fastest-growing economies and most active trade corridors. CIB's clients operate or invest in 47 markets across the globe.

The SCBSL Group supports SCPLC's network strategy by leveraging Singapore's unique position as a super-connector to ASEAN. CIB's clients include governments, banks, investors, and local and large corporations operating or investing mainly in Asia, Africa and the Middle East. SCBSL has a strong and deep local presence to help co-create bespoke financing solutions and connect clients multilaterally to investors, suppliers, buyers and sellers, enabling them to move capital, manage risk and invest to create wealth. CIB is committed to sustainable finance and aims to deliver on SCBSL's ambition to increase support and funding for financial products and services that have a positive impact on communities and the environment and support sustainable economic growth.

CIB contributed 41.7%, 43.7% and 40.5% of the SCBSL Group's operating income by segment in the financial years ended 31 December 2025, 2024 and 2023, respectively. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations of the SCBSL Group – Results of Operations – Segment Information – Business Segments*" elsewhere in this Offering Memorandum for further information.

CIB operates three main product lines:

- *Transaction banking*: this includes cash management, liquidity management, trade and working capital products, all supported by digital platforms that enable clients to view multiple accounts across geographies and aggregate multiple payment methods in place.
- *Banking & Markets*: this comprises a wide range of products including FX, rates, commodities and credit trading, project and transportation finance, debt capital markets and leveraged finance, financing and securities services, and sales and structuring.
- *Lending*: this includes term loans and revolving credit facilities.

CIB operates two main client segments: corporates and financial institutions, which comprise investors, sponsors and insurers, banks and broker dealers, and public sector and development organisations.

Wealth and Retail Banking

The WRB business serves individuals and small businesses, from mass retail clients to affluent and high net worth individuals, both digitally and in person. WRB serves more than 13 million clients as at 31 December 2025. The SCBSL Group provides digital banking services with a human touch to its clients, with solutions spanning deposits, payments, financing and wealth management. Private banking offers a full range of investment, credit and wealth planning products to grow and protect the wealth of high-net-worth individuals. The SCBSL Group also supports its small business clients with their business banking needs. The SCBSL Group is ranked the fourth in the Asia 2024 League Table on Private Banking AUM (ex-China onshore) by Asian Private Banker.

WRB contributed 54.9%, 53.7% and 51.0% of the SCBSL Group's operating income by segment in the financial years ended 31 December 2025, 2024 and 2023, respectively. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations of the SCBSL Group – Results of Operations – Segment Information – Business Segments*" elsewhere in this Offering Memorandum for further information.

WRB comprises three client segments:

- *Mass*: this is made up of clients with less than S\$25,000 of Assets Under Management ("AUM"). The SCBSL Group is deepening mass retail through digital initiatives and partnerships, such as through Trust Bank.
- *Affluent*: this has three sub-segments comprising Priority (AUM > \$100,000), Priority Private (AUM > S\$1 million) and Private (AUM > S\$10 million). The majority of WRB income comes from this segment.
- *Business banking*: the SCBSL Group supports small business clients with cash management, working capital and financing needs.

WRB operates two main product lines:

- *Retail*: this comprises products for all individuals across the Mass–Affluent continuum, including mortgages, deposits, credit cards and personal loans.
- *Wealth management*: this includes investment, insurance, secured lending and structured products together with wealth advisory and portfolio management services to support affluent clients in their wealth journey.

Ventures

The Ventures business seeks to promote innovation, invest in disruptive financial technology and explore alternative business models. Four of its ventures were named among the 20 "hottest start-ups" in 2023 by the Singapore Business Review. These ventures were Olea, TASConnect, Standard Chartered Nexus and Trust Bank Singapore.

Ventures contains the SCBSL Group's digital bank subsidiary, Trust Bank. Trust Bank is a digital bank with a full bank licence from the MAS and is a joint venture between SCBSL and NTUC Enterprise Co-operative Limited. As of 31 December 2025, the SCBSL Group holds 60 per cent. of the issued share capital in Trust Bank.

Since launch, Trust Bank has acquired more than one million customers, taking its share of the adult population in Singapore beyond 20 per cent., making it one of the fastest growing digital banks in the region by market share.

Trust Bank is still the number one net promoter score top-rated banking app in the Singapore Apple App Store in BCG survey results in 2024. During the year 2024, Trust Bank received extensive industry awards and recognition, including best digital bank in Singapore by The Asian Banker and was named the best mobile banking app globally by The Digital Banker. It remains a top-rated bank in Singapore on the Apple App Store.

The launch of Trust Bank demonstrates the SCBSL Group's commitment to continuously invest in innovative ways to serve the communities in Singapore. Trust Bank is the fourth largest retail bank in Singapore as of 31 December 2025, in particular leveraging on its deep and extensive partner ecosystem. Trust Bank aims to establish itself as one of the main retail banks in Singapore, creating new standards of customer experience. Trust Bank received the top award at the IDC Future Enterprise Awards 2026, recognising its digital capabilities, AI-driven innovation and customer-first strategies.

Regional Operations and Presence

In addition to Singapore, the SCBSL Group operates in Malaysia, Vietnam and Thailand. The SCBSL Group has wholly-owned subsidiaries in Malaysia and Vietnam and a 99.9% owned subsidiary in Thailand.

Malaysia

The SCBSL Group (and its predecessors) has more than a 150 year history in Malaysia. The SCBSL Group's operations in Malaysia are conducted through SCBMB, a wholly owned subsidiary of SCBSL. SCBMB provides a full suite of banking and financial services, including full Islamic banking and finance capabilities.

As of 31 December 2025, SCBMB accounted for 7.0% and 9.1% of the SCBSL Group's profit for the year and total assets, respectively. See *"Management's Discussion and Analysis of Financial Condition and Results of Operations of the SCBSL Group – Results of Operations – Segment Information – Geographic Segments"* elsewhere in this Offering Memorandum for further information.

Vietnam

The SCBSL Group (and its predecessors) has an over 120 year history in Vietnam. The SCBSL Group's operations in Vietnam are conducted through SCBVN, a wholly-owned subsidiary of SCBSL. SCBVN provides a wide range of banking and financial services to its CIB and WRB clients.

SCBVN leverages the SCPLC Group's international network and supports international corporates coming into and out of Vietnam, including globally multinational corporates looking to diversify or add resilience to their supply chain operations. SCBVN is a partner to the government of Vietnam for Just Energy Transition Partnership and has been the sole advisor for the government of Vietnam's sovereign credit rating since 2012.

As of 31 December 2025, SCBVN accounted for 3.3% and 2.6% of the SCBSL Group's profit for the year and total assets, respectively. See *"Management's Discussion and Analysis of Financial Condition and Results of Operations of the SCBSL Group – Results of Operations – Segment Information – Geographic Segments"* elsewhere in this Offering Memorandum for further information.

Thailand

The SCBSL Group (and its predecessors) has an over 130 year history in Thailand. The SCBSL Group's operations in Thailand is conducted through SCBTH, a 99.9% owned subsidiary of SCBSL. SCBTH provides a wide range of banking and financial services to its CIB clients.

SCBTH supports international corporates entering and exiting Thailand as part of the SCBSL Group's network strategy.

As of 31 December 2025, SCBTH accounted for 3.7% and 4.6% of the SCBSL Group's profit for the year and total assets, respectively. See *"Management's Discussion and Analysis of Financial Condition and Results of Operations of the SCBSL Group – Results of Operations – Segment Information – Geographic Segments"* elsewhere in this Offering Memorandum for further information.

Global Functions

Properties

The SCBSL Group owns some of the properties used for carrying out its banking business. These properties are located mainly in Singapore, Malaysia, Thailand and Vietnam and include office and retail branch premises. For some of these properties, surplus space is leased to third-party tenants for additional income.

Employees

The SCBSL Group had 4,195, 4,183 and 4,243 employees as at 31 December 2023, 2024 and 2025, respectively.

The SCBSL Group believes that its workforce is key to driving Group performance and productivity. Employees typically receive salary, pension and other benefits and are eligible to be considered for variable remuneration driven by Group, business area and individual performance.

The SCBSL Group is party to collective agreements for its unionised employees in Singapore and Malaysia, and believes that it has good relations with its employees.

The SCBSL Group also operates share-based compensation plans for its executive directors and employees. Under the 2023 Sharesave Plan, employees may open a savings contract and save up to £500 (increased from £250 since 2024) per month over three years to purchase ordinary shares in SCPLC at a discount of up to 20 per cent (the 'option exercise price'). The discount applies to higher of: the 5-day average share price prior to the invitation or the closing share price on the last trading day prior to the invitation. At the end of the savings contract they have a period of six months to exercise the option. There are no performance

measures attached to Sharesave options, and no exercise price is payable to receive an option. The 2021 Standard Chartered Plan is the SCBSL Group's main share plan. It may be used to deliver various types of share awards, including Long Term Incentive Plan awards with vesting subject to performance measures, deferred awards used for the delivery of the deferred portion of variable remuneration, and restricted share awards granted as replacement buy-out awards to new joiners.

The SCBSL Group's remuneration approach is consistent with the approach of the SCPLC Group and is aligned to remuneration regulations in Singapore and in the United Kingdom where SCB is headquartered. The SCBSL Group's remuneration approach is designed to:

- (a) reward colleagues for the progress made on the execution of the SCBSL Group's strategy and appropriately incentivise employees to deliver strong performance over the long-term while avoiding excessive and unnecessary risk-taking; and
- (b) promote sound and effective risk management through the SCBSL Group's remuneration structures.

In order to support the attraction, retention, and motivation of a diverse and future-ready workforce to deliver on the SCBSL Group's purpose, long-term strategy, and shareholder returns, the SCPLC Group's Fair Pay Charter sets out the principles it uses to make remuneration decisions that are fair, transparent and competitive. These principles support the SCBSL Group in embedding a performance-oriented, inclusive, and innovative culture, and in delivering a differentiated employee experience. The Fair Pay Charter principles apply to all employees in the SCPLC Group globally, including management and executive directors.

Competition

The SCBSL Group's primary competitors consist of other Singapore banks and major international banks licensed in Singapore, major international banks licensed elsewhere and other financial institutions in other markets in which the SCBSL Group operates.

Insurance

To mitigate losses from specific unexpected and significant event risks, the SCBSL Group implements group-wide insurance coverage under the SCBSL Group's insurance programme from third-party insurers. These insurance policies relate to crime and professional indemnity, directors' and officers' liability, cyber risk, property damage and business interruption, general liability and terrorism.

Legal Proceedings

The SCBSL Group is involved in litigation and arbitration proceedings in Singapore and in foreign jurisdictions involving claims by and against the SCBSL Group which arise in the ordinary course of its business. While the outcomes of such proceedings are inherently uncertain and difficult to predict, the SCBSL Group believes that the outcomes of the proceedings that have already commenced will not have a material adverse effect on the SCBSL Group's financial condition, liquidity or profitability. See "*Risk Factors – Risks Relating to the SCBSL Group – The SCBSL Group is subject to legal, regulatory and compliance risks.*" elsewhere in this Offering Memorandum for further information.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE SCBSL GROUP

The following discussion and analysis should be read in conjunction with, and is qualified in its entirety by reference to, the audited consolidated financial statements of the SCBSL Group as at and for the financial years ended 31 December 2025 and 2024, including the notes thereto, which are set forth beginning on page F-2 of this Offering Memorandum. These financial statements have been prepared in accordance with SFRS(I) which differ in certain material respects from U.S. GAAP. Investors should consult their own professional advisers for an understanding of the differences between SFRS(I), U.S. GAAP and the generally accepted accounting principles of other jurisdictions and how those differences might affect the financial information contained in this Offering Memorandum. This discussion contains forward-looking statements that reflect the SCBSL Group's current views with respect to future events and financial performance. The SCBSL Group's actual results may differ materially from those anticipated in these forward-looking statements as a result of factors such as those set forth under "Risk Factors" and elsewhere in this Offering Memorandum.

Except as otherwise noted, financial and statistical information presented in this Offering Memorandum is presented for the SCBSL Group on a consolidated basis.

Overview

The SCPLC Group is one of the leading international banking and financial services group globally with more than 160 years of history. The SCPLC Group is focused on the markets of Asia, Africa, the Middle East, Europe and the Americas. As of 31 December 2025, the SCPLC Group has more than 81,000 employees across 54 markets. SCPLC's ordinary shares and preference shares are listed on the Official List and traded on the London Stock Exchange. SCPLC's ordinary shares are also listed on the Hong Kong Stock Exchange. SCPLC had a market capitalisation of approximately GBP40.9 billion based on the closing price per ordinary share on the London Stock Exchange as at 31 December 2025.

SCBSL was incorporated in Singapore in October 2012 and is licensed by the MAS as a bank with qualifying full bank privileges to engage in banking business in Singapore. SCBSL is an indirect wholly owned subsidiary of SCB, which in turn is wholly owned by SCPLC as the ultimate holding company.

The SCPLC Group has been present in Singapore for more than 167 years, having opened its first branch in Singapore in 1859. In 2019, the SCPLC Group fully consolidated the business operations in Singapore with SCBSL and in 2020, SCBSL was the first bank to be accorded enhanced Significant Rooted Foreign Bank privileges by the MAS. SCBSL is also the first domestic systemically important bank in Singapore to incorporate all its businesses in Singapore, and the largest foreign banking subsidiary in Singapore. As at 31 December 2025, SCBSL Group had S\$199.6 billion in total assets, S\$83.8 billion in loans and advances to customers, S\$148.8 billion in deposits of non-bank customers and S\$12.8 billion in total shareholders' equity (excluding non-controlling interests).

The SCBSL Group is headquartered in Singapore and has an operational presence in Malaysia, Vietnam and Thailand. On 1 September 2021, SCBSL formed an ASEAN hub with SCBMB and SCBMB became a wholly owned subsidiary of SCBSL. The formation of the Singapore-based ASEAN corporate entity hub was subsequently completed following the transfers of SCBTH and SCBVN to SCBSL on 1 November 2021 and 1 December 2021, respectively.

SCBSL is a highly rated commercial bank with issuer ratings of "A+" from Fitch, "A1" from Moody's and "A+" from Standard & Poor's. SCBSL's credit ratings have stable outlooks from Fitch, Moody's and Standard & Poor's.

Factors Affecting Financial Condition and Results of Operations

The SCBSL Group's financial condition and results of operations are affected by numerous factors. The following factors are of particular importance.

General Economic Developments in Key Geographic Markets

The SCBSL Group is headquartered in Singapore and has an operational presence in Malaysia, Vietnam and Thailand. Accordingly, its financial performance is dependent on general economic developments in its key markets of Singapore, Malaysia, Vietnam and Thailand.

In particular, Singapore accounted for 78.1%, 78.0% and 76.9% of the SCBSL Group's operating income for each of the financial years ended 31 December 2025, 2024 and 2023, respectively, meaning that general economic and political developments in Singapore will have a significant impact on the SCBSL Group's results of operations going forward. SCB intends to continue to utilise Singapore as an important hub from which its clients will access the ASEAN region and it therefore foresees that conditions in Singapore will continue to affect its ability to grow its loans and interest income and fee and commission income in future. See "*Macroeconomic Conditions and Housing Market in Singapore*" for more details on the macroeconomic conditions in Singapore.

In addition, the overall economic, political and general operating environment will also affect the quality of SCBSL's loan and investment portfolios, and hence the amount of impairment allowance made.

The SCBSL Group's operating expenses are also dependent on its growth strategy and expansion plans in the ASEAN region and will therefore be directly impacted by cost and wage pressures in the markets in which it operates.

Fluctuations in Interest Rates

The SCBSL Group's net interest income was S\$1,276 million, S\$1,720 million and S\$2,303 million for each of the financial years ended 31 December 2025, 2024 and 2023, which accounted for 24.4%, 34.7% and 47.9%, respectively of its total income before operating expenses.

Net interest income is primarily impacted by yields on interest earning assets, the costs of interest-bearing liabilities and the aggregate volumes of interest earning assets and interest-bearing liabilities. The SCBSL Group's yields and costs are functions of its lending and deposit rates, interbank rates, yields on government and other debt securities, and costs of term debts and other borrowings, which are generally linked to the interest rate environment. In addition, lending and deposit rates are significantly influenced by competition in the markets in which the SCBSL Group operates.

Accordingly, fluctuations in interest rates have a material impact on the SCBSL Group's results of operations. The extent and timing of interest rate changes, as well as differences in the magnitude of such interest rate changes between the SCBSL Group's assets and liabilities will have a material impact on its net interest margins and its profitability.

Furthermore, movements in short and long-term interest rates affect the SCBSL Group's interest income and interest expense and the level of gains and losses on its securities portfolio (such as its Singapore government securities and treasury bills, other government securities and treasury bills and investment securities).

The SCBSL Group prices its loans and advances to banks and customers on a fixed rate or floating rate basis. Loans priced at a floating rate refer to those priced at reference lending rates plus or minus a spread, depending on the type of loans and the profile and preference of the borrower. Reference lending rates may be benchmarked with external reference rates such as SORA, or an established reference rate maintained by the SCBSL Group such as board rate and prime rate.

Liquidity Position

The SCBSL Group's liquidity obligations arise from withdrawals of deposits, repayments of purchased funds at maturity, and extensions of credit and working capital needs, and its funding is predominantly derived from deposits from non-bank customers. The percentage of total liabilities attributable to non-bank customer deposits was 79.7%⁶, 79.5%⁶ and 81.6%⁶ as at 31 December 2025, 2024 and 2023, respectively.

Non-bank customer deposits are well-diversified with a roughly equal split between corporate and retail, and continue to be the main funding source of the SCBSL Group across currencies, accounting for 74.6%⁷, 74.1%⁷ and 76.1%⁷ of the SCBSL Group's overall funding in each of the financial years ended 31 December 2025, 2024 and 2023, respectively, with current accounts and saving accounts continuing to make up the bulk of deposits. In addition, the SCBSL Group benefits from access to a S\$5,000,000,000 commercial paper and certificate of deposit programme, a U.S.\$25,000,000,000 notes, certificates and warrants

⁶ Calculated by dividing total deposits of non-bank customers by total liabilities

⁷ Calculated by dividing deposits of non-bank customers by the sum of total equity and liabilities.

programme (with Standard Chartered Bank, Standard Chartered Bank (Hong Kong) Limited and SCBSL each as an issuer) and intragroup funding facilities from SCPLC. The SCBSL Group believes that this Programme will provide added diversification and capital cost-efficiency to its funding sources.

The SCBSL Group also takes an active approach to managing its liquidity position, with liquid assets being predominantly in the form of cash and short-term central bank placements that it believes allow it to withstand annual and other periodic capital and daily liquidity stress tests. The SCBSL Group's loans-to-deposits ratio⁸ was 62.5% at 31 December 2025, demonstrating its significant liquidity reserves.

However, adverse market and economic conditions in the regional and global economy may limit or adversely affect the SCBSL Group's access to funding, as well as to the funding required to operate its business and execute its strategy. Adverse conditions may also adversely affect its ability to replace maturing liabilities in a timely manner, and access additional capital necessary to grow its business.

Material Accounting Policy Information

Basis of Preparation

The SCBSL Group has prepared its audited consolidated financial statements for the financial year ended 31 December 2025 and 2024 in accordance with the SFRS(I) as required by the Companies Act 1967 of Singapore.

See Note 2 to the audited consolidated financial statements for the financial year ended 31 December 2025 for a summary of the material accounting policies and methods used in preparing the SCBSL Group's audited consolidated financial statements.

Significant accounting judgements, estimates and assumptions

The preparation of the SCBSL Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the SCBSL Group's accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Fair value of financial instruments

A number of the SCBSL Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The SCBSL Group has an established control framework with respect to the measurement of fair values. This includes an internal valuation team who performs an independent periodic review of the valuations of financial assets and liabilities and validates the assumptions used in the valuation models.

If third party information is used to measure fair values, then the valuation team assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of SFRS(I) 13, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the SCBSL Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

⁸ Calculated by dividing total loans and advances to banks and loans and advances to customers by total deposits and balances of banks and deposits of non-bank customers.

- Level 2: inputs other than quoted prices included in Level I that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The SCBSL Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the Note 44 to the audited consolidated financial statements of the SCBSL Group for the financial year ended 31 December 2025 set forth elsewhere in this Offering Memorandum.

Credit impairment of financial instruments

The SCBSL Group's expected credit loss ("ECL") calculations are outputs of complex models with a number of underlying assumptions. The significant judgements and estimates in determining expected credit loss include:

- the SCBSL Group's criteria for assessing if there has been a significant increase in credit risk;
- development of ECL models, including the choice of inputs relating to macroeconomic variables;
- evaluation of management overlays and post-model adjustments; and
- determination of probability weightings for Stage 3 individually assessed provisions.

The calculation of ECL also includes expert credit judgement to be applied by the credit risk management team based on counterparty information they receive from various sources including relationship managers and on external market information.

Further information about key assumptions concerning future, and other key sources of estimation uncertainty, are set out in Note 43 to the audited consolidated financial statements for the financial year ended 31 December 2025 set forth elsewhere in this Offering Memorandum.

Principal Components of Profit and Loss Statement

Income (Loss) before Operating Expenses

The principal sources of operating income for the SCBSL Group are net interest income, net fee and commission income, dealing and foreign exchange income and other income.

Net Interest Income

Net interest income is the difference between interest income and interest expense and is determined by (a) the amount of interest earning assets and interest-bearing liabilities, (b) the interest spread and (c) the applicable level of interest rates.

Principal interest earning assets consist of loans and advances to customers, bills receivable, Singapore government securities and treasury bills, investment securities and other government securities and treasury bills. Its principal interest-bearing liabilities consist of deposits of non-bank customers.

Net Fee and Commission Income

Net fee and commission income is the difference between its fee and commission income and its fee and commission expense, which it derives from transaction banking (trade products and cash management and

payments), financial markets, lending, principal finance, wealth management and retail products across its key business segments. See "*Business Segment Analysis*", below.

Dealing and Foreign Exchange Income

Dealing and foreign exchange income/(losses) comprises gains/losses relating to dealing assets and liabilities and includes all realised and unrealised fair value changes, interest and foreign exchange differences.

Other Income

Other income principally comprises gains and losses on disposal of securities.

Operating Expenses

The SCBSL Group's operating expenses comprise staff costs and other operating expenses.

Staff Costs

Staff costs principally comprise salaries and allowances, bonuses and commission, contribution to defined contribution plan and benefit plan, share-based payments, restructuring cost charges, and net head office allocation and share of cost recharge from group entities.

Other Operating Expenses

Other operating expenses comprise amortisation of intangible assets, auditor's remuneration, depreciation of property and equipment, maintenance and hire of property and equipment, rent, legal and consultancy fees, advertising and publicity, information technology related costs, subscriptions, travel and transport, communication, and net head office allocation and share of cost recharge from group entities.

Impairment

Impairment comprises a net charge or release against profit arising from net credit impairment on loans and advances to banks and customers and bills receivable, net credit impairment relating to debt and government securities, net credit impairment relating to undrawn commitments and financial guarantees and impairment losses on other assets.

Results of Operations

The following table provides a breakdown of the SCBSL Group's statements of profit and loss for the periods indicated. This table should be read together with the SCBSL Group's audited consolidated financial statements, including the notes thereto, appearing elsewhere in this Offering Memorandum.

	Years ended 31 December		
	2023	2024	2025
	In S\$ millions		
Interest income.....	6,150	6,512	5,566
Interest expense.....	(3,847)	(4,792)	(4,290)
Net interest income	2,303	1,720	1,276
Fee and commission income	1,493	1,884	2,124
Fee and commission expense	(569)	(717)	(681)
Net fee and commission income.....	924	1,167	1,443
Dividend income.....	1	1	1
Dealing and foreign exchange income.....	1,593	2,074	2,505
Other income.....	(15)	(7)	6
Total non-interest income.....	2,503	3,235	3,955
Income before operating expenses	4,806	4,955	5,231
Staff costs.....	(1,462)	(1,611)	(1,664)
Other operating expenses	(1,336)	(1,501)	(1,557)
Total operating expenses.....	(2,798)	(3,112)	(3,221)
Operating profit before impairment loss	2,008	1,843	2,010
Impairment (losses)/release	(89)	(216)	(209)
Operating profit after Impairment loss	1,919	1,626	1,801
Profit from associates	5	5	3
Profit before income tax.....	1,924	1,632	1,804

	Years ended 31 December		
	2023	2024	2025
	In S\$ millions		
Income tax expense	(302)	(214)	(209)
Profit for the year	1,622	1,418	1,595
Profit attributable to:			
Non-controlling interests	(52)	(38)	(21)
Parent company shareholders	1,674	1,456	1,616
Profit for the year	1,622	1,418	1,595

Segment Information

The SCBSL Group reports business and geographical segment results.

Business Segments

The SCBSL Group's segmental reporting is in accordance with SFRS(I) 8 Operating Segments, and are presented under four main segments. The three main client segments are CIB, WRB and Ventures. The Other banking segment relates to activities not directly related to a client segment.

The CIB segment supports local and large corporations, governments, banks and investors with their transaction banking, financial markets and borrowing needs. See "*Description of the Business of Standard Chartered Bank (Singapore) Limited – Client Segments – CIB*" elsewhere in this Offering Memorandum for further information on this business segment.

The WRB segment focuses on the affluent and emerging affluent in the region, and provides digital banking services to its clients, with solutions spanning deposits, payments, financing and wealth management. Private banking offers a full range of investment, credit and wealth planning products to grow and protect the wealth of high net-worth individuals, and supports small business clients with their business banking needs. See "*Description of the Business of Standard Chartered Bank (Singapore) Limited – Client Segments – WRB*" elsewhere in this Offering Memorandum for further information on this business segment.

The other banking segment relates to activities not directly related to a client segment and mainly includes treasury markets, treasury activities and certain strategic investments.

The Ventures segment is the platform and catalyst for the SCBSL Group to promote innovation, invest in disruptive financial technology and explore alternative business models. In relation to the SCBSL Group, Ventures is primarily related to its majority-owned digital bank, Trust Bank Singapore Limited, which was launched in Singapore in partnership with FairPrice Group, Singapore's leading grocery retailer, in September 2022. See "*Description of the Business of Standard Chartered Bank (Singapore) Limited – Client Segments – Ventures*" elsewhere in this Offering Memorandum for further information on this business segment.

The following tables show the breakdown of total income and operating income by business segment for the periods indicated:

	Years ended 31 December	
	2024	2025
	In S\$ millions	
Corporate and Investment Banking ⁽¹⁾	2,166	2,180
Wealth and Retail Banking ⁽¹⁾	2,659	2,872
Other banking ⁽¹⁾	33	44
Ventures	97	135
Income by segment	4,955	5,231
Total operating expenses	(3,112)	(3,221)
Impairment losses	(216)	(209)

	Years ended 31 December	
	2024	2025
	In S\$ millions	
Profit from associates	5	3
Profit before income tax	1,632	1,804

Notes:

- (1) Segment results have been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025 by Standard Chartered PLC.
- (2) Figures for FY2023 have not been included as the re-presentation of relevant segment results for FY2023, in accordance with the RNS on Re-Presentation of Financial Information issued on 2 April 2025 by Standard Chartered PL, is not available.

Geographic Segments

The following table shows the breakdown of operating income, operating profit, profit before tax, profit for the year, total assets and total liabilities by geographic segment:

Geographical segment	Singapore	Malaysia	Thailand	Vietnam	Total
	In S\$ millions				
2023					
Operating income	3,696	594	206	310	4,806
Operating expenses	(2,054)	(425)	(142)	(177)	(2,798)
Operating profit/(loss) before impairment losses	1,642	169	64	133	2,008
Impairment release/(losses)	(83)	12	–	(18)	(89)
Profit from associates	5	–	–	–	5
Profit/(loss) before income tax	1,564	181	64	115	1,924
Income tax (expense)/credit	(220)	(44)	(14)	(24)	(302)
Profit/(loss) for the year	1,344	137	50	91	1,622
Total assets	136,867	15,667	6,560	6,966	166,060
Total liabilities	128,867	14,011	5,525	6,469	154,872
2024					
Operating income	3,866	596	217	276	4,955
Operating expenses	(2,322)	(453)	(157)	(180)	(3,112)
Operating profit before impairment losses	1,544	143	60	96	1,843
Impairment losses	(121)	(43)	(27)	(25)	(216)
Profit from associates	5	–	–	–	5
Profit before income tax	1,428	100	33	71	1,632
Income tax expense	(168)	(24)	(7)	(15)	(214)
Profit for the year	1,260	76	26	56	1,418
Total assets	153,522	16,475	7,341	4,907	182,245
Total liabilities	144,557	14,761	6,297	4,432	170,047
2025					
Operating income	4,085	665	223	258	5,231
Operating expenses	(2,427)	(460)	(155)	(179)	(3,221)
Operating profit before impairment losses	1,658	205	68	79	2,010
Impairment (losses)/release	(150)	(54)	7	(12)	(209)
Profit from associates	3	–	–	–	3
Profit before income tax	1,511	151	75	67	1,804
Income tax expense	(139)	(40)	(16)	(14)	(209)
Profit for the year	1,372	111	59	53	1,595
Total assets	167,084	18,071	9,209	5,190	199,554
Total liabilities	157,443	16,209	8,218	4,751	186,621

Net Interest Income

The SCBSL Group's net interest income decreased by 25.8% to S\$1,276 million for the financial year ended 31 December 2025 from S\$1,720 million for the financial year ended 31 December 2024, primarily due to the decline in interest rates.

The SCBSL Group's net interest income decreased by 25.3% to S\$1,720 million for the financial year ended 31 December 2024 from S\$2,304 million for the financial year ended 31 December 2023, primarily due to the decline in interest rates.

Net interest income represented 24.4%, 34.7% and 47.9% of total income before operating expenses for the financial years ended 31 December 2025, 2024 and 2023, respectively.

Average Balance Sheets and Interest Rates

The following table sets forth the average balances of the SCBSL Group's interest earning assets and interest-bearing liabilities, the related interest income or expense and average interest rates for the periods indicated. For the purposes of the following table, average balances have been determined on the basis of daily balances, except for SCPLC Group Assets and SCPLC Group Liabilities, for which balances have been determined based on monthly averages. The SCBSL Group does not believe that the information presented in these tables would be significantly different had such balances been determined on a daily basis.

	Years ended 31 December								
	2023			2024			2025		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
In S\$ millions, except percentages									
Non-SCPLC Group interest earning assets⁽¹⁾									
Loans and advances to banks	11,963	676	5.65%	15,033	841	5.59%	14,245	672	4.72%
Loans and advances to customers	98,425	4,597	4.67%	100,282	4,622	4.61%	98,155	3,704	3.77%
Securities and others	11,276	437	3.88%	15,074	619	4.10%	22,609	681	3.01%
Total	121,664	5,710	4.69%	130,389	6,082	4.66%	135,009	5,057	3.75%
SCPLC Group Assets⁽²⁾	11,856	440	3.71%	9,553	430	4.50%	14,515	509	3.51%
Total	133,520	6,150	4.61%	139,942	6,512	4.65%	149,524	5,566	3.72%
Non-SCPLC Group interest bearing liabilities⁽³⁾									
Deposits and balances of banks ..	2,164	119	5.50%	2,636	142	5.39%	3,206	123	3.84%
Deposits and balances of customers	110,619	3,361	3.04%	121,135	4,033	3.33%	135,697	3,573	2.63%
Other borrowings ..	437	21	4.81%	1,057	87	8.23%	2,128	143	6.74%
Total	113,220	3,501	3.09%	124,828	4,262	3.41%	141,031	3,839	2.72%
SCPLC Group Liabilities⁽⁴⁾	7,703	346	4.49%	8,058	530	6.58%	7,059	451	6.39%
Total	120,923	3,847	3.18%	132,886	4,792	3.61%	148,090	4,290	2.90%
Net interest income (reported)		2,304			1,720			1,276	
Net interest spread⁽⁵⁾		1.42%			1.04%			0.82%	
Net interest margin⁽⁶⁾		1.72%			1.23%			0.85%	
Adjusted Net interest margin⁽⁷⁾		2.02%			1.81%			1.46%	

Notes:

(1) Comprises interest earning assets which are not made or advanced to entities within SCPLC Group.

- (2) Comprises largely loans and advances to entities within SCPLC Group.
- (3) Comprises interest-bearing liabilities arising from individuals and entities excluding entities within SCPLC Group.
- (4) Comprises deposits and balances and other borrowings of entities within SCPLC Group.
- (5) Net of difference between the average rate of interest earning assets and interest bearing liabilities.
- (6) Net interest income (reported) divided by total interest earning assets.
- (7) Adjusted net interest margin adjusted for financial markets funding costs and financial guarantee fees on interest earning assets.

Volume and Rate Analysis

The following table allocates changes in interest income and interest expense between changes in volume and changes in rate for 2024 compared with 2023 and 2025 compared with 2024. Information is provided with respect to:

- (i) effects attributable to changes in volume (change in volume multiplied by prior rate); and
- (ii) effects attributable to changes in rate (change in rate multiplied by prior volume).

Volume and rate variances have been calculated based on movements in average balances over the period indicated and changes in interest rates based on average interest-bearing assets and liabilities. Variances caused by changes in both volume and rate (change in rate multiplied by change in volume) have been allocated to both volume and rate based on the proportional change in either volume or rate.

	2024 vs 2023			2025 vs 2024		
	Volume	Rate	Net Change	Volume	Rate	Net Change
	In S\$ millions					
Interest Income						
Loans and advances to banks	173	(8)	165	(44)	(125)	(169)
Loans and advances to customers	87	(61)	26	(98)	(820)	(918)
Securities and others.....	147	34	181	309	(247)	63
Total	407	(35)	372	167	(1,192)	(1,024)
SCPLC Group Assets ⁽¹⁾	(86)	76	(10)	224	(145)	78
Interest expense						
Deposits and balances of banks...	26	(3)	23	31	(50)	(19)
Deposits and balances of customers	319	353	672	485	(944)	(459)
Other borrowings	30	36	66	88	(31)	57
Total	375	386	761	604	(1,025)	(422)
SCPLC Group Liabilities ⁽²⁾	16	168	184	(66)	(13)	(79)
Net impact on net interest income	(70)	(513)	(583)	(147)	(299)	(444)

Notes:

- (1) Comprises largely interest income from loans and advances to entities within SCPLC Group.
- (2) Comprises interest expense on deposits and balances and other borrowings of entities within SCPLC Group.

Non-Interest Income

The following table shows information with respect to the SCBSL Group's non-interest income for the periods indicated:

	Years ended 31 December		
	2023	2024	2025
	In S\$ millions		
Net fee and commission income.....	924	1,167	1,443
Dividend income.....	1	1	1
Dealing and foreign exchange income.....	1,593	2,074	2,505
Other income.....	(15)	(7)	6
Total	2,503	3,235	3,955

Total non-interest income increased by 22.3% to S\$3,955 million for the financial year ended 31 December 2025 from S\$3,235 million for the financial year ended 31 December 2024, mainly driven by an increase in dealing and foreign exchange income arising largely from net gains on instruments held for trading.

Total non-interest income increased by 29.2% to S\$3,235 million for the financial year ended 31 December 2024 from S\$2,503 million for the financial year ended 31 December 2023, mainly driven by an increase in dealing and foreign exchange income arising largely from gains on instruments held for trading.

Total non-interest income accounted for 75.6%, 65.3% and 52.1% of the SCBSL Group's total income before operating expense for the financial years ended 31 December 2025, 2024 and 2023, respectively.

Net Fee and Commission Income

The following table shows information with respect to the SCBSL Group's net fee and commission income for the financial years ended 31 December 2025 and 31 December 2024.

	Corporate and Investment Banking	Wealth and Retail Banking	Other banking	Ventures	Total
	In S\$ millions				
As at and for the financial year ended 31 December 2025					
Transaction Services	170	-	-	-	170
Payments and Liquidity	22	-	-	-	22
Securities Services	62	-	-	-	62
Trade and Working Capital	86	-	-	-	86
Global Banking	84	-	-	-	84
Lending and Financial Solutions	36	-	-	-	36
Capital Market and Advisory	48	-	-	-	48
Global Markets	68	-	-	-	68
Macro Trading	66	-	-	-	66
Credit Trading	2	-	-	-	2
Valuation and Other Adjustments	(0)	-	-	-	(0)
Wealth Solutions	-	1,037	-	-	1,037
Investment Products	-	628	-	-	628
Bancassurance	-	409	-	-	409
Deposits & Mortgages	-	4	-	-	4
Credit Cards and Personal Loans ("CCPL") and Other Unsecured Lending	-	48	-	-	48
Ventures Digital Banks	-	-	-	30	30
Treasury & Other Products	(7)	9	0	-	2
Net fee and commission income	315	1,098	0	30	1,443
As at and for the financial year ended 31 December 2024⁽¹⁾					
Transaction Services	142	-	-	-	142
Payments and Liquidity	(4)	-	-	-	(4)
Securities Services	58	-	-	-	58
Trade and Working Capital	88	-	-	-	88
Global Banking	120	-	-	-	120
Lending and Financial Solutions	100	-	-	-	100
Capital Market and Advisory	20	-	-	-	20
Global Markets	3	-	-	-	3
Macro Trading	7	-	-	-	7
Credit Trading	3	-	-	-	3
Valuation and Other Adjustments	(7)	-	-	-	(7)
Wealth Solutions	-	820	-	-	820
Investment Products	-	444	-	-	444
Bancassurance	-	376	-	-	376
Deposits & Mortgages	-	0	-	-	0
CCPL and Other Unsecured Lending	-	52	-	-	52
Ventures Digital Banks	-	-	-	21	21
Treasury & Other Products	(0)	10	(1)	-	9
Net fee and commission income	265	882	(1)	21	1,167

Notes:

- (1) Products have been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025 by Standard Chartered PLC.
- (2) Figures for FY2023 have not been included as the re-presentation of relevant products for FY2023, in accordance with the RNS on Re-Presentation of Financial Information issued on 2 April 2025 by Standard Chartered PL, is not available.

For the financial year ended 31 December 2025, net fee and commission income increased by 23.7% to S\$1,443 million from S\$1,167 million for the financial year ended 31 December 2024. The increase was primarily due to an increase in net fee and commission income from wealth solutions, transaction services and global markets.

Net fee and commission income accounted for 27.6% and 23.5% of the SCBSL Group's total income before operating expense for the financial years ended 31 December 2025 and 2024, respectively.

Other Income

Other income increased from a loss of S\$7 million for the financial year ended 31 December 2024 to a profit of S\$6 million for the financial year ended 31 December 2025 primarily due to gains on disposal of securities measured at fair value through other comprehensive income for FY2025 compared to losses for FY2024.

Other income increased by 51.3% from a loss of S\$15 million for the financial year ended 31 December 2023 to a loss of S\$7 million for the financial year ended 31 December 2024 primarily due to lower loss on disposal of financial assets measured at amortised cost.

Operating Expenses

The following table shows information with respect to the SCBSL Group's operating expenses for the periods indicated:

	Years ended 31 December		
	2023	2024	2025
	In S\$ millions, except percentages		
Staff costs.....	1,462	1,611	1,664
Other operating expenses	1,336	1,501	1,557
Total	2,798	3,112	3,221
Cost-to-income ratio ⁽¹⁾	58.2%	62.8%	61.6%

Note:

(1) Total operating expenses expressed as a percentage of total income before operating expenses.

For the financial year ended 31 December 2025, total expenses increased by 3.5% to S\$3,221 million from S\$3,112 million for the financial year ended 31 December 2024, primarily due to an increase in staff costs and other operating expenses. The increase in other operating expenses was largely due to an increase in advertising and publicity and other overheads.

For the financial year ended 31 December 2024, total expenses increased by 11.2% to S\$3,112 million from S\$2,798 million for the financial year ended 31 December 2023, primarily due to an increase in staff costs and other operating expenses. The increase in other operating expenses was largely due to an increase in amortisation of intangible assets and other overheads.

Impairment release/(loss) (net charge/release against profit)

The following table shows information with respect to the SCBSL Group's impairment release/(loss) for the periods indicated:

	Years ended 31 December		
	2023	2024	2025
	In S\$ millions		
Net credit impairment on loans and advances to banks and customers and bills receivable	73	203	210
Net credit impairment relating to debt and government securities.....	(1)	0	4
Net credit impairment relating to undrawn commitments and financial guarantees	(4)	1	(16)
Impairment losses on other assets	21	12	11
Total	89	216	209

For the financial year ended 31 December 2025, total impairment expenses decreased to a loss of S\$209 million from a loss of S\$216 million for the financial year ended 31 December 2024, mainly due to net credit impairment relating to undrawn commitments and financial guarantees.

For the financial year ended 31 December 2024, total impairment expenses increased to a loss of S\$216 million from a loss of S\$89 million for the financial year ended 31 December 2023, mainly due to impaired loans and advances to banks and customers and bills receivable.

Profit before Income Tax

As a result of the foregoing, profit before income tax increased by 10.6% to S\$1,804 million for the financial year ended 31 December 2025 from S\$1,632 million for the financial year ended 31 December 2024, after a 15.2% decrease for the financial year ended 31 December 2024 from S\$1,924 million for the financial year ended 31 December 2023.

Income Tax Expense/Credit

The SCBSL Group's income tax expense was S\$209 million for the financial year ended 31 December 2025, S\$214 million for the financial year ended 31 December 2024 and S\$302 million for the financial year ended 31 December 2023. This resulted in effective tax rates ("income tax expenses" divided by "profit before income tax") of 11.6% for the financial year ended 31 December 2025, 13.1% for the financial year ended 31 December 2024 and 15.7% for the financial year ended 31 December 2023. Taxation for the SCBSL Group is determined on an entity by entity basis. The statutory corporate income tax rate in Singapore was 17% from 2023 to 2025.

Profit for the year

The following table shows the reconciliation of management's view of profit for the year with the presentation of "profit for the year attributable to non-controlling interest and parent company shareholders" in the SCBSL Group's audited consolidated financial statements.

	Years ended 31 December		
	2023	2024	2025
	In S\$ millions		
Profit for the year	1,622	1,418	1,595
Profit attributable to:			
Non-controlling interests	(52)	(38)	(21)
Parent company shareholders	1674	1,456	1,616

The SCBSL Group's profit for the year increased by 12.5% to S\$1,595 million for the financial year ended 31 December 2025 from S\$1,418 million for the financial year ended 31 December 2024 as total income before operating expenses increased by 5.6% to S\$5,231 million from S\$4,955 million.

The SCBSL Group's profit for the year decreased by 12.6% to S\$1,418 million for the financial year ended 31 December 2024 from S\$1,622 million for the financial year ended 31 December 2023 as total income before operating expenses increased by 3.1% to S\$4,955 million from S\$4,806 million.

Singapore accounted for 86.0%, 88.9% and 82.9% of the SCBSL Group's profit for the financial years ended 31 December 2025, 2024 and 2023, respectively.

Financial Condition

Total Assets

The SCBSL Group's total assets as at 31 December 2025 were S\$199,554 million, compared to S\$182,245 million as at 31 December 2024 and S\$166,060 million as at 31 December 2023.

The increase in total assets between 31 December 2025 and 31 December 2024 was primarily driven by increases in Singapore government securities and treasury bills, loans and advances to customers and other assets.

The increase in total assets between 31 December 2024 and 31 December 2023 was primarily driven by increases in Singapore government securities and treasury bills and loans and advances to customers.

The following table sets forth the principal components of the SCBSL Group's total assets as at the dates indicated.

	As at 31 December		
	2023	2024	2025
	In S\$ millions		
Cash and balances with central banks	30,239	29,296	13,546
Singapore government securities and treasury bills.....	5,128	16,493	29,161
Other government securities and treasury bills.....	8,547	10,086	11,975
Investment securities.....	7,611	6,809	6,757
Derivative financial instruments.....	4,110	6,101	4,914
Loans and advances to banks	12,636	9,268	12,841
Loans and advances to customers.....	68,243	74,418	83,846
Bills receivables	8,468	10,179	8,844
Amounts due from intermediate holding company and its branches	12,890	10,712	9,720
Amounts due from related corporations	398	865	935
Amount due from subsidiaries.....	-	-	-
Other assets	6,182	6,393	15,440
Assets held for sale.....	26	71	37
Current tax assets	13	19	27
Deferred tax assets	53	56	35
Property and equipment	415	383	338
Investment in associates	77	89	90
Investment in subsidiaries	-	-	-
Goodwill and intangible assets	1,024	1,007	1,048
Total	166,060	182,245	199,554

Loans and Advances to Customers

Loans and advances to customers are the largest component of the SCBSL Group's total assets, having accounted for 42.0%, 40.8% and 41.1% of total assets as at 31 December 2025, 2024 and 2023, respectively. The SCBSL Group's customer loans net of allowances for loan impairment were S\$83,846 million as at 31 December 2025, a 12.7% increase from S\$74,418 million as at 31 December 2024. The SCBSL Group's customer loans net of allowances for loan impairment were S\$74,418 million as at 31 December 2024, a 9.0% increase from S\$68,243 million as at 31 December 2023.

The following table sets forth customer loans and advances, net of allowances for loan impairment, as at the dates indicated.

	As at 31 December		
	2023	2024	2025
	In S\$ millions		
At amortised cost.....	67,713	73,741	81,365
Mandatorily at fair value through profit or loss.....	1,255	1,438	3,201
Expected credit loss allowance.....	(725)	(761)	(720)
Net total loans and advances to customers	68,243	74,418	83,846

Cash and Balances with Central Banks

Cash and balances with central banks was S\$13,546 million as at 31 December 2025, a 53.8% decrease from S\$29,296 million as at 31 December 2024.

Cash and balances with central banks was S\$29,296 million as at 31 December 2024, a 3.1% decrease from S\$30,239 million as at 31 December 2023.

Singapore government securities and treasury bills

As at 31 December 2025, the SCBSL Group had S\$29,161 million in Singapore government securities and treasury bills, a 76.8% increase from S\$16,493 million as at 31 December 2024. As at 31 December 2025, S\$17,341 million of the SCBSL Group's government securities and treasury bills were classified as fair value through other comprehensive income, S\$11,063 million were classified as fair value through profit or loss, and S\$757 million were classified as amortised cost.

As at 31 December 2024, the SCBSL Group had S\$16,493 million in Singapore government securities and treasury bills, a 221.6% increase from S\$5,128 million as at 31 December 2023. As at 31 December 2024, S\$7,895 million of the SCBSL Group's government securities and treasury bills were classified as fair value through other comprehensive income, S\$7,838 million were classified as fair value through profit or loss, and S\$760 million were classified as amortised cost.

Investment securities

The SCBSL Group's investment securities were S\$6,757 million, S\$6,809 million and S\$7,611 million as at 31 December 2025, 2024 and 2023, respectively.

Total Liabilities

The SCBSL Group's total liabilities as at 31 December 2025 of S\$186,621 million represented a 9.7% increase from S\$170,047 million as at 31 December 2024. The increase in total liabilities as at 31 December 2025 was primarily due to an increase in deposits of non-bank customers.

The SCBSL Group's total liabilities as at 31 December 2024 of S\$170,047 million represented a 9.8% increase from S\$154,872 million as at 31 December 2023. The increase in total liabilities as at 31 December 2024 was primarily due to increases in deposits of non-bank customers, structured notes and deposits, derivative financial instruments and other trading liabilities and amount due to related corporations.

The following table sets forth the principal components of the SCBSL Group's total liabilities as at the dates indicated.

	As at 31 December		
	2023	2024	2025
	In S\$ millions		
Deposits and balances of banks	7,139	5,766	5,993
Deposits of non-bank customers.....	126,327	135,127	148,820
Structured notes and deposits	890	2,480	4,304
Derivative financial instruments and other trading liabilities	5,000	6,530	6,943
Bills and drafts payable	2,345	2,629	2,845
Amounts due to intermediate holding company and its branches.....	3,678	4,618	3,894
Amounts due to related corporations.....	1,499	3,141	3,576
Amounts due to subsidiaries.....	-	-	-
Current tax payable	252	227	206
Other liabilities.....	4,098	5,725	6,558
Subordinated notes.....	3,569	3,738	3,409
Deferred tax liabilities	75	66	74
Total	154,872	170,047	186,621

Deposits and Balances of Banks

The SCBSL Group's deposits and balances of banks were S\$5,993 million, S\$5,766 million and S\$7,139 million as at 31 December 2025, 2024 and 2023, respectively.

Deposits of non-bank customers

Deposits of non-bank customers were the largest component of the SCBSL Group's total liabilities, accounting for 79.7%⁹, 79.5%⁹ and 81.6%⁹ of total liabilities as at 31 December 2025, 2024 and 2023, respectively.

The SCBSL Group's deposits of non-bank customers were S\$148,820 million as at 31 December 2025, representing a 10.1% increase from S\$135,127 million as at 31 December 2024. This was primarily due to an increase in deposits from the WRB business.

The SCBSL Group's deposits of non-bank customers were S\$135,127 million as at 31 December 2024, representing a 7.0% increase from S\$126,327 million as at 31 December 2023. This was primarily due to an increase in deposits from the WRB business.

⁹ Calculated by dividing total deposits of non-bank customers by total liabilities

The non-bank customer loan-to-deposit ratio¹⁰ was 56.3%, 55.1% and 54.0% as at 31 December 2025, 2024 and 2023, respectively.

The following table sets forth customer deposits as at the dates indicated.

	As at 31 December		
	2023	2024	2025
	In S\$ millions		
At amortised cost.....	126,327	135,127	148,820
Deposits of non-bank customers.....	126,327	135,127	148,820

Non-controlling Interests

Non-controlling interests represents equity in subsidiaries that are not attributable to the SCBSL Group. This mainly includes shareholder's interest in Trust Bank.

As at 31 December 2025, the non-controlling interests of the SCBSL Group amounted to S\$94 million, compared to S\$105 million as at 31 December 2024 and S\$69 million as at 31 December 2023. Further details regarding the assets and liabilities of the SCBSL Group are set forth under the heading "*Description of the Assets and Liabilities of the SCBSL Group*".

Off-Balance Sheet Items

As at 31 December 2025, the SCBSL Group's contingent liabilities, commitments and financial derivatives notional were S\$12,191 million, S\$63,871 million and S\$577,040 million respectively, of which commitments that were unconditionally cancellable at any time amount to S\$50,597 million.

As at 31 December 2024, the SCBSL Group's contingent liabilities, commitments and financial derivatives notional were S\$11,848 million, S\$60,367 million and S\$521,846 million respectively, of which commitments that were unconditionally cancellable at any time amount to S\$48,562 million.

As at 31 December 2023, the SCBSL Group's contingent liabilities, commitments and financial derivatives notional were S\$10,146 million, S\$53,211 million and S\$368,248 million respectively, of which commitments that were unconditionally cancellable at any time amount to S\$42,798 million.

Business Segment Analysis

The following table sets out the SCBSL Group's results by business segments for the periods indicated.

	Corporate and Investment Banking ⁽¹⁾	Wealth and Retail Banking ⁽¹⁾	Other banking ⁽¹⁾	Ventures	Total
	In S\$ millions				
As at and for the financial year ended 31 December 2025					
Net interest income	251	1,457	(535)	103	1,276
Net fee and commission income/(expense) ⁽²⁾	315	1,098	0	30	1,443
Other income.....	1,614	317	579	2	2,512
Total operating income.....	2,180	2,872	44	135	5,231
As at and for the financial year ended 31 December 2024					
Net interest income	409	1,499	(259)	71	1,720
Net fee and commission income/(expense) ⁽²⁾	265	882	(1)	21	1,167
Other income.....	1,492	278	293	5	2,068
Total operating income.....	2,166	2,659	33	97	4,955

¹⁰ Calculated by dividing total loans and advances to customers by total deposits of non-bank customers

Notes:

- (1) Segment results have been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025 by Standard Chartered PLC.
- (2) Inclusive of income arising from a major customer of S\$389,007,000 (2024: S\$359,113,000) in WRB operating segment.
- (3) Figures for FY2023 have not been included as the re-presentation of relevant segment results for FY2023, in accordance with the RNS on Re-Presentation of Financial Information issued on 2 April 2025 by Standard Chartered PL, is not available.

See "Description of the Business of Standard Chartered Bank (Singapore) Limited – Client Segments" for a description and overview of each of the SCBSL Group's key client segments.

Capital Management

The SCBSL Group's approach to capital management is to maintain a strong capital base to support the development of the SCBSL Group's business and to meet regulatory capital requirements at all times.

The SCBSL Group applies the Internal Capital Adequacy Assessment Process ("ICAAP") to assess its capital demand on a current, planned and stressed basis. The assessment covers the major risks faced by the SCBSL Group, in addition to credit, market and operational risks that are covered under the minimum capital requirements. The capital management and planning process is overseen by the regional Asset-Liability Committee, which is chaired by the regional CEO.

MAS Notice 637 sets out the requirements relating to the minimum capital adequacy ratios for banks incorporated in Singapore and the methodology the banks shall use in calculating these ratios. See "Capital Adequacy Ratios", below.

Capital Adequacy Ratios

As at 31 December 2025, the SCBSL Group's CET1, Tier 1 and Total CARs of 14.28%, 17.06%, and 22.84% respectively, exceeded the minimum CAR requirements under MAS Notice 637, effective from 1 January 2019, of 9.0%, 10.5% and 12.5% respectively, (this includes the capital conservation buffer but excludes the countercyclical capital buffer).

As at 31 December 2025, the SCBSL Group's consolidated leverage ratio stood at 4.9%, which is above the minimum 3.0% minimum ratio set by the MAS effective 1 January 2018.

The table below sets out the SCBSL Group's capital resources and capital adequacy ratios.

	As at 31 December		
	2023	2024	2025
	In S\$ millions, except percentages		
Common Equity Tier 1 capital	7,825	8,888	9,417
Additional Tier 1 capital	1,833	1,838	1,839
Tier 1 capital	9,658	10,726	11,256
Tier 2 capital	3,482	3,884	3,809
Total capital	13,140	14,610	15,065
Risk-Weighted Assets ("RWA")			
Credit RWA ⁽¹⁾	40,887	45,509	44,862
Market RWA ⁽²⁾	6,341	7,916	13,999
Operational RWA ⁽³⁾	7,432	6,597	7,106
Total RWA	54,660	60,022	65,967
Capital Adequacy Ratio ("CAR") (%)			
Common Equity Tier 1.....	14.3	14.8	14.3
Tier 1.....	17.7	17.9	17.1
Total.....	24.0	24.3	22.8
Minimum CAR including Buffer Requirements (%)⁽⁴⁾			
Common Equity Tier 1.....	9.18	9.22	9.18
Tier 1.....	10.68	10.72	10.68
Total	12.68	12.72	12.68

Note:

- (1) Credit RWA means the risk-weighted assets for credit risk, determined in the manner set out in MAS Notice 637.
- (2) Market RWA means the risk-weighted assets for market risks, determined in the manner set out in MAS Notice 637.
- (3) Operational RWA means the risk-weighted assets for operational risk, determined in the manner set out in MAS Notice 637.
- (4) Includes minimum Common Equity Tier 1, Tier 1 and Total CAR of 6.5%, 8.0% and 10.0% respectively, Capital Conservation Buffer ("CCB") and Bank Specific Countercyclical Buffer ("CCyB").

Regulatory Change

With effect from 1 January 2023, MAS Notice 637 was amended to: (a) implement the revised Pillar 3 disclosure requirements for IRRBB published by the Basel Committee, (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.

With effect from 1 July 2024, MAS Notice 637 was revised to implement the final Basel III reforms in Singapore. The revised MAS Notice 637 sets out revised standards on (a) operational risk capital and leverage ratio requirements; (b) credit risk capital and output floor requirements; (c) market risk capital and capital reporting requirements; and (d) public disclosure requirements. Under the revised MAS Notice 637, all standards other than the revised market risk and credit valuation adjustment ("CVA") standards took effect from 1 July 2024. The revised market risk and CVA standards, (a) for compliance with supervisory reporting requirements took effect from 1 July 2024, and (b) for compliance with capital adequacy and disclosure requirements took effect from 1 January 2025. The output floor transitional arrangement has commenced at 50% from 1 July 2024 and will reach full phase-in at 72.5% from 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 25 November 2024, MAS issued MAS Notice 637 (Amendment) 2024 to (a) clarify the recognition of industrial properties as collateral under the standardised approach to credit risk and foundation internal ratings-based approach, for instances where the bank holds a junior charge and where all the senior charges ranking above the junior charge in question are held by the bank or Jurong Town Corporation; (b) provide clarification on interpretation issues consistent with the Frequently Asked Questions published by the Basel Committee on Banking Supervision in July 2024; and (c) implement various other technical revisions. The amendments took effect from 1 January 2025, except for certain specified amendments which took effect from 31 December 2024.

On 9 October 2025, MAS issued a revised version of MAS Notice 637 which (i) incorporates the Basel Committee on Banking Supervision's revised methodology used to calculate interest rates shocks in the IRRBB standard and updates the IRRBB standardised interest rate shock scenarios based on the revised methodology; (ii) revises the minimum requirements for Additional Tier 1 and Tier 2 capital instruments to disqualify those which are issued to retail investors in Singapore as regulatory capital; and (iii) enhances the clarity of the computation of the capital conservation buffer and countercyclical buffer, and recognition of credit risk mitigation under synthetic securitisations. These amendments have taken effect from 1 January 2026, except for the amendments to Annex 10C which took effect from 31 December 2025.

See *"Regulation and Supervision – The Regulatory Environment – Capital Adequacy Ratios ("CAR")"* elsewhere in this Offering Memorandum for more details.

Risk Management

Effective risk management is essential in delivering consistent and sustainable performance for all the stakeholders of the SCBSL Group and is a central part of the financial and operational management of the SCBSL Group. The SCBSL Group adds value to clients and the communities in which they operate by taking and managing appropriate levels of risk, which in turn generates returns for shareholders.

The SCBSL Group has ultimate responsibility for risk management and is supported by the Board Risk Committee ("BRC"). The Board approves the Enterprise Risk Management Framework ("ERMF") based

on the recommendation from the BRC, which also recommends the SCBSL Group Risk Appetite Statement for all principal risk types. See *"Governance and Management – Board Committees – Board Risk Committee"* for more details on the BRC.

The ERMF enables the SCPLC Group to manage enterprise-wide risks, with the objective of maximising risk-adjusted returns while remaining within its Risk Appetite ("**RA**"). The ERMF has been designed with the explicit goal of improving the SCPLC Group's risk management, and it is embedded across the SCPLC Group, including its branches and subsidiaries. The ERMF is reviewed annually and the latest version is effective from August 2025.

Principal risk types ("**PRTs**") are risks that are inherent in the SCBSL Group's strategy and business model and have been formally defined in the SCBSL Group's ERMF. They are credit risk, traded risk, treasury risk, operational and technology risk, financial crime risk, compliance risk, information and cyber security risk, environmental, social and governance and reputational risk and model risk.

Each of the PRTs has its own Risk Type Frameworks ("**RTFs**") which is supported by policies and standards. The Singapore Local Addendums to the ERMF and RTFs are approved by the SCBSL Group's Board and Hub Executive Risk Committee ("**Hub ERC**"), respectively.

Risk governance

The SCBSL Hub Board Risk Committee ("**Hub BRC**") is responsible for overseeing the governance of risk and approving risk appetite within the SCBSL Group. The Hub BRC has delegated executive responsibility to the Hub Executive Committee ("**Hub EXCO**") for the day-to-day management of risk and to maintain a sound system of risk management and internal control.

The Hub EXCO delegates authority for the management of certain risks to the Hub Board, Singapore and ASEAN Risk Committee ("**SGARC**") while the management of risk associated with the SCBSL Group's strategy remains directly with the Hub EXCO. This governance structure ensures that risk taking authority and risk management policies and procedures are cascaded down from the Board through to the appropriate committees.

The SGARC is responsible for the effective management of risk (excluding treasury risks) in support of the strategy, including defining the overall ERMF which sets out the principles and standards for risk management. The ERMF and the risk appetite are approved and overseen by the SCBSL Hub Board.

The primary responsibility of RALCO is the management of treasury risks and maintaining a strong balance sheet to support business objectives and comply with the SCBSL Group's policies and regulatory requirements.

Credit risk

Credit risk is the risk arising from obligors or counterparties failing to meet their financial or contractual obligations. It arises from the daily activities in the business of the SCBSL Group such as lending to customers. It also includes the risks of lending, as well as the pre-settlement and settlement risk of foreign exchange, derivatives and securities.

Credit risk is managed through a framework that sets out policies and procedures covering the measurement and management of credit risk. There is a segregation of duties between transaction originators in the businesses and approvers within the risk function. Credit exposure limits are approved within a defined credit approval authority framework.

Policies and procedures are established by the SGARC. The SCBSL Group uses an internal risk mapping to determine the credit quality for loans. All loans are assigned a credit grade, which the SCBSL Group reviews periodically and amends in light of changes in the borrower's circumstances or behaviour. Grades 1 to 12 are assigned to stage 1 and stage 2 (performing) loan accounts, while Grades 13 and 14 are assigned to stage 3 or NPAs (non-performing or defaulted) loan. See *"Description of Assets and Liabilities of the SCBSL Group – Credit Quality Information"* elsewhere in this Offering Memorandum for more details.

Credit monitoring

The SCBSL Group regularly monitors credit exposures, portfolio performance, and external trends that may impact risk management outcomes. Internal risk management reports are presented to the risk committees containing information on key trends across major portfolios, portfolio delinquency and loan impairment performance.

Borrowers are placed on early alert when they display signs of actual or potential weakness. Such accounts are subjected to a dedicated credit monitoring process overseen by the Credit Issues Committee. Portfolio delinquency trends are monitored continuously at a detailed level. Individual customer behaviour is also tracked and is considered for lending decisions.

Credit concentration risk

Credit concentration risk may arise from large exposure to a single counterparty, or from multiple exposures across the portfolio that are closely correlated. Large exposure concentration risk is managed against regulatory limit set at 25% of Tier 1 capital. At the portfolio level, credit concentration thresholds are set and monitored to control concentrations, where appropriate, by customer segment, industry, product, tenor, credit grade and collateral type.

See "Description of Assets and Liabilities of the SCBSL Group – Customer Loan Portfolio – Customer Loan Concentration" elsewhere in this Offering Memorandum and Note 43(a) to the SCBSL Group's audited consolidated financial statements for the financial year ended 31 December 2025 for more details on the SCBSL Group's customer loan concentration.

Impairment

The SCBSL Group primarily uses models that utilise the probability of default ("PD"), loss given default ("LGD") and exposure at default ("EAD") metrics, discounted using the effective interest rate in determining expected credit losses ("ECL").

Forward-looking economic assumptions (such as economic growth, interest rates, unemployment rates, property prices, etc.) are incorporated into the PD, LGD and EAD where relevant and where they influence credit risk. These assumptions are incorporated using the SCPLC Group's most likely forecast for a range of macroeconomic assumptions. These forecasts are determined using all reasonable and supportable information, which includes both internally developed forecasts and those available externally. To account for the potential non-linearity in credit losses, multiple forward-looking scenarios are incorporated into the range of reasonably possible outcomes for all material portfolios. These scenarios are determined using a Monte Carlo approach around the most likely forecast of macroeconomic assumptions.

The period over which cash shortfalls are determined is generally limited to the maximum contractual period for which the SCBSL Group is exposed to credit risk. However, for certain revolving credit facilities, the SCBSL Group's exposure to credit risk is not limited to the contractual period. For these instruments, the SCBSL Group estimates an appropriate life based on the period that the SCBSL Group is exposed to credit risk, which includes the effect of credit risk management actions such as the withdrawal of undrawn facilities.

For credit-impaired financial instruments, the estimate of cash shortfalls may require the use of expert credit judgement. As a practical expedient, the SCBSL Group may also measure credit impairment on the basis of an instrument's fair value using an observable market price.

Significant increase in credit risk ("SICR")

The SCPLC Group uses a number of qualitative and quantitative measures in assessing significant increase in credit risk. Quantitative measures relate to the relative and absolute changes in the lifetime PD compared to those expected at initial recognition. Qualitative factors include placement of loans on non-purely precautionary early alert, classification as higher risk (CG12) or 30 days or more past due.

Financial assets that are credit impaired (or in default) represent those that are at least 90 days past due in respect of principal and/or interest. Financial assets are also considered to be credit impaired where the obligors are unlikely to pay on the occurrence of one or more observable events that have a detrimental impact on the estimated future cash flows of the financial asset.

Evidence that a financial asset is credit impaired includes observable data about the following events:

- significant financial difficulty of the issuer or borrower;
- breach of contract such as default or a past due event;
- for economic or contractual reasons related to the borrower's financial difficulty, the lenders of the borrowers have granted concessions that lenders would not otherwise consider;
- pending or actual bankruptcy or other financial reorganisation to avoid or delay discharge of borrower's obligation; and
- disappearance of an active market for the applicable financial asset due to financial difficulties of the borrower.

Credit-impaired accounts are managed by the SCBSL Group's specialist recovery unit, Stressed Assets Group ("SAG") which forms part of first line of defence. The Stressed Assets Risk ("SAR") team performs as the second line of defence for credit-impaired accounts. Where any amount is considered irrecoverable, a stage 3 credit-impairment allowance is raised. This stage 3 impairment allowance is the difference between the loan carrying amount and the probability weighted present value of estimated future cash flows, reflecting a range of scenarios (typically the best, worst and most likely recovery outcomes). Where the cash flows include realisable collateral, the values used will incorporate the impact of forward looking economic information.

Irrevocable lending commitments to a credit impaired obligor that have not yet been drawn down are also included within the Stage 3 credit impairment to the extent that the commitment cannot be withdrawn.

A period may elapse from the point at which instruments enter lifetime expected credit losses (Stage 2 or 3) and are reclassified back to 12 months expected credit losses (Stage 1). For financial assets that are credit impaired (Stage 3), a transfer to Stage 2 or Stage 1 is only permitted where the instrument is no longer considered to be credit-impaired. An instrument will no longer be considered credit-impaired when there is no shortfall of cash flows compared to the original contractual terms.

For financial assets within Stage 2, these can only be transferred to Stage 1 when they are no longer considered to have experienced a SICR.

Where significant increase in credit risk was determined using quantitative measures, the instruments will automatically transfer back to Stage 1 when the original PD based transfer criteria are no longer met. Where instruments were transferred to Stage 2 due to an assessment of qualitative factors, the issues that led to the reclassification must be cured before the instruments can be reclassified to Stage 1. This includes instances where management actions led to instruments being classified as Stage 2, requiring that action to be resolved before loans are reclassified to Stage 1.

In order to determine whether an instrument is subject to 12 month ECL or long term ECL, the SCBSL Group assesses whether there has been a SICR since initial recognition. SICR is recognised based on the change in the risk of default between initial recognition and reporting date.

For financial assets which are not individually significant, such as the Retail Banking portfolio or small business loans, which comprise a large number of homogenous loans that share similar characteristics, statistical estimates and techniques are used, as well as credit scoring analysis.

A Retail Banking loan is considered credit impaired where it is more than 90 days past due. Retail Banking products are also considered credit impaired if the borrower files for bankruptcy or other forbearance programme, the borrower is deceased or the business is closed in the case of a small business, or if the borrower surrenders the collateral, or there is an identified fraud on the account. Additionally, if the account is unsecured and the borrower has other credit accounts with the SCPLC Group that are considered credit impaired, the account may also be credit impaired. Techniques used to compute impairment amounts use models which analyse historical repayment and default rates over a time horizon. Where various models are used, judgement is required to analyse the available information provided and select the appropriate model or combination of models to use.

Under the MAS Notice 612 requirement, SCBSL is required to maintain a minimum regulatory loss allowance ("**MRLA**") of 1% of the gross carrying amount of selected credit exposures, net of collaterals. Where the accounting loss allowance computed under SFRS(I) 9 is less than the MRLA, SCBSL shall maintain the difference in a non-distributable regulatory loss allowance reserve ("**RLAR**") account through the appropriation of retained earnings to meet the minimum 1% amount. Where the aggregated accounting loss allowance and RLAR exceeds the MRLA, SCBSL may transfer to excess amount in the RLAR to retained earnings.

The total amount of SCBSL's impairment allowance is inherently uncertain, being sensitive to changes in economic and credit conditions. It is possible that actual events over the next year differ from the assumptions built into the SCBSL Group's model, resulting in material adjustments to the carrying amount of loans and advances.

In certain circumstances, SCBSL may renegotiate a drawdown loan. Loans that are renegotiated primarily to grant extended tenor to a borrower who is facing some difficulties but who SCBSL does not believe is impaired are reported as 'Other forborne loans'. Loans that are renegotiated on terms that are not consistent with those readily available in the market and/or where have been granted a concession compared to the original terms of the loans, are considered to be subject to forbearance strategies and are disclosed as 'Loans subject to forbearance', which is a subset of impaired loans.

Post model adjustments

Where a model's performance breaches the monitoring thresholds or validation standards, SCBSL Group may perform an assessment to determine whether a Post Model Adjustment ("**PMA**") is required to correct the identified model issue. PMAs will be removed when the models are updated to correct for the identified model issue or the estimates return to being within the monitoring thresholds. PMAs are calculated by the model development teams, validated by the Group Model Validation ("**GMV**") team and approved by senior management.

Assets classified as past due refer to assets that are overdue by one day or more. Impaired assets are assets with specific allowances made. The balances analysed do not include those held at fair value through profit or loss.

The SCBSL Group uses standard credit ratings to determine the credit quality of debt securities. Those utilised are published by Standard & Poor's or an equivalent external rating agency. For securities that are unrated, the SCBSL Group applies an internal credit rating.

See "*Description of Assets and Liabilities of the SCBSL Group – Customer Loan Portfolio – Credit Exposure*" and Note 43(a) to the SCBSL Group's audited consolidated financial statements for the financial year ended 31 December 2025 for various statistics with respect to the SCBSL Group's NPAs and loss allowances.

Credit risk mitigation

Potential credit losses from any given account, client or portfolio are mitigated using a range of tools such as collateral, netting agreements, credit insurance, credit derivatives taking into account expected volatility and guarantees. The reliance that can be placed on these mitigations is carefully assessed in light of issues such as legal certainty and enforceability, market valuation correlation and counterparty risk of the guarantor. The credit risk mitigation policy determines the key considerations for eligibility, enforceability and effectiveness of credit risk mitigation arrangements.

In order to be recognised as security and for the loan to be classified as secured, all items pledged must be valued and an active secondary resale market must exist for the collateral. Documentation must be held to enable the SCBSL Group to realise the asset without the cooperation of the asset owner in the event that this is necessary. The SCBSL Group also seeks to diversify its collateral holdings across asset classes and markets.

Regular valuation of collateral is required in accordance with the credit risk mitigation policy, which prescribes both the process of valuation and the frequency of valuation for different collateral types.

Where appropriate, collateral values are adjusted to reflect current market conditions, the probability of recovery and the period of time to realise the collateral in the event of possession. Where guarantees or

credit derivatives are used as credit risk mitigation, the creditworthiness of the guarantor is assessed and established using the credit approval process in addition to that of the obligor or main counterparty.

See Note 43(a) to the SCBSL Group's audited consolidated financial statements for the financial year ended 31 December 2025 for details.

Collateral and other credit enhancements obtained

The SCBSL Group takes possession of collateral held as security, such as properties, or by calling upon other credit enhancements. Repossessed properties are made available for sale in an orderly fashion, with the proceeds used to reduce or repay the outstanding indebtedness. Where the proceeds are in excess of the amount owed to the Bank, the excess is returned to the borrower.

The carrying value of collateral possessed that is held on the SCBSL Group's balance sheet is nil as at 31 December 2025 and 31 December 2024.

Traded risk

Traded risk is the potential for loss resulting from activities undertaken in financial markets and covers mainly Counterparty Credit Risk and Market Risk. The SCBSL Group establishes the Traded Risk Type Framework, which sets out the overall risk management approach for traded risk.

Traded Risk Management ("**TRM**") is the core risk management function supporting market-facing businesses, specifically Financial Markets and Treasury Markets.

Treasury risk

Treasury risk is associated with the management of SCBSL's capital, liquidity and funding.

The SCBSL Group manages treasury risk in line with the following risk management risk principles:

- maintain sufficient levels of capital and ensure minimum requirements for own funds and eligible liabilities ("**MREL**") are met, commensurate with business strategy and risk profile for both business-as-usual ("**BAU**") conditions and market/idiosyncratic stress;
- ensure appropriate composition and distribution of capital and MREL to support business activities;
- hold adequate levels of liquid resources to meet payment obligations;
- conduct appropriate scenario testing, reverse stress testing and other scenario modelling to help calibrate appropriate levels of capital and liquidity and to understand the potential impact to the business from emerging risks;
- ensure form an appropriate funding profile and diversified sources of both unsecured and secured funding from both a counterparty and industry perspective;
- manage the liquidity portfolio within risk appetite to protect the liquidity of the SCBSL Group while optimising for cost of funding and charging out the costs of liquidity and capital appropriately across the business lines;
- ensure potential loss of earnings or economic value due to adverse movements in interest rates and foreign exchange rates are appropriately capture, measured and managed;
- maintain a usable set of contingent capital and liquidity actions options in relation to BAU, recovery and resolution;
- ensure compliance with applicable regulations pertaining to capital risk, liquidity and funding risk, interest rate risk in the banking book ("**IRRBB**"), recovery and resolution planning and pension risk;
- monitor climate risk, third party risk and digital asset risk profile associated with treasury risk and provide remediation action plans as appropriate.

The SCBSL Group establishes the Treasury Risk RTF, which sets out the overall risk management approach for treasury risk.

Liquidity risk

Liquidity risk is the risk that the SCBSL Group does not have sufficient financial resources available to meet all its obligations as they fall due or can only access these financial resources at an excessive cost. The SCBSL Group's policy is to maintain adequate liquidity and funding at all times. Liquidity risk is managed in conjunction with set liquidity policies and practices and local regulatory requirement.

The RALCO is responsible for ensuring that the SCBSL Group is able to meet all its obligations to make payments as they fall due and operates within the local regulations and liquidity limits set for the SCBSL Group. In the short term, the focus is on ensuring that the cash flow demands can be met when required. In the medium-to-long term, the focus is on ensuring that the balance sheet remains structurally sound and aligned to the strategy.

See Note 43(d) to the SCBSL Group's audited consolidated financial statements for the financial year ended 31 December 2025 for the analyses on the contractual cash flows payable (includes principal and interest) for the SCBSL Group's financial liabilities by remaining contractual maturities on an undiscounted basis.

Capital management

The SCBSL Group's approach to capital management is to maintain a strong capital base to support the development of the SCBSL Group's business and to meet regulatory capital requirements at all times.

The SCBSL Group applies the Internal Capital Adequacy Assessment Process to assess its capital demand on a current, planned and stressed basis. The assessment covers the major risks faced by the SCBSL Group, in addition to credit, market and operational risks that are covered under the minimum capital requirements. The capital management and planning process is overseen by the Regional ALCO, which is chaired by the Regional CEO.

MAS, under MAS Notice 637 to Banks on Risk Based Capital Adequacy Requirements sets out the requirements relating to the minimum capital adequacy ratios for banks incorporated in Singapore and the methodology the banks shall use in calculating these ratios.

Note 43(h) to the SCBSL Group's audited consolidated financial statements for the financial year ended 31 December 2025 sets out the composition of the SCBSL Group's regulatory capital and its capital adequacy ratios, determined according to the requirements of MAS Notice 637 to Banks.

Pursuant to section 9 of the Banking Act of Singapore, the SCBSL Group is required to maintain a paid-up capital and capital funds of not less than S\$1,500,000,000. The SCBSL Group's capital is the aggregate of its paid-up share capital and disclosed reserves which include retained earnings and reserves. The SCBSL Group has complied with the requirement prescribed by the MAS throughout the financial year ended 31 December 2025.

Market risk

Market risk is the potential for loss of economic value due to adverse changes in financial market rates or prices. The SCBSL Group's exposure to market risk arises predominantly from the following sources:

- trading book: The SCBSL Group provides customer access to financial markets, facilitation of which entails the SCBSL Group taking moderate market risk positions. All trading teams support customer activity. There are no proprietary trading teams. Hence, income earned from market risk-related activities is primarily driven by the volume of client activity rather than risk-taking; and
- non-trading book: The Treasury Markets desk is required to hold a liquid assets buffer, much of which is held in high-quality marketable debt securities.

The primary categories of market risk for the SCBSL Group are:

- interest rate risk: arising from changes in yield curves, credit spreads and implied volatilities on interest rate options.

- foreign exchange rate risk: arising from changes in currency exchange rates and implied volatilities on foreign exchange options.
- commodity risk: arising from changes in commodity prices and implied volatilities on commodity options; covering mainly gold and silver positions for the entity.

The SCBSL Group's Board sets Market Risk Appetite for the SCBSL Group, taking into account market volatility, range of products, the balance sheet and capital.

The Hub BRC under delegated authority from the Board, approves Market Risk Type Framework for the SCBSL Group. The SGARC performs market risk oversight and approve market risk limits for the SCBSL Group in line with the SCBSL Group's Board Risk Appetite for market risk. The SGARC also approves delegated authorities to the respective risk managers to perform day to day risk management responsibilities.

TRM function monitors market risk exposures against approved limits. Sensitivity measures and stress testing are used in addition to Value at Risk ("VaR") as risk management tools. The SCBSL Group uses historical simulation approach to measure VaR, which is calculated for expected movements over a one business day holding period at a 97.5 per cent confidence level.

Market risk changes

Trading book market risk positions are mainly from interest rates trading, credit trading, commodity trading and foreign exchange. Trading activities have remained relatively unchanged and client-driven in 2025.

See Note 43(c) to the SCBSL Group's audited consolidated financial statements for the financial year ended 31 December 2025 for more details.

Operational and technology risk

The SCBSL Group defines operational and technology risk as the "Potential for loss from inadequate or failed internal processes, technology events, human error, or from the impact of external events (including legal risks)".

Operational risks can be mitigated through the application of an effective system of controls. The SCBSL Group aims to control operational and technology risks to ensure that operational losses (financial or reputational), including any related to conduct of business matters, do not cause material damage to the SCBSL Group's franchise. The SCBSL Group applies the standardised approach for measuring the capital requirements for operational risk.

Environmental, social and governance and reputational ("ESGR") risk

The SCPLC Group defines ESGR risk as the potential or actual adverse impact on the environment and/or society, the SCBSL Group's financial performance, operations, or SCPLC Group's name, brand or standing, arising from environmental, social or governance factors, or as a result of SCPLC Group's actual or perceived actions or inactions.

The ESGR RTF provides the overall risk management approach for ESG and Reputational risks.

The reputational risk policy sets out the principal sources of reputational risk driven by negative shifts in stakeholder perceptions, and the responsibilities for managing reputational risk. Its scope also includes the management of greenwashing risk which can arise during product and/or deal lifecycle, sustainability reporting and disclosures, and external campaigns related to sustainability themes.

The environmental, social and governance ("ESG") risk policy outlines the SCPLC Group's commitment to integrating ESG considerations into its business, operations, and decision-making process. The policy sets out the requirements for identifying, assessing, and managing ESG risks including climate risk.

Model risk

The SCBSL Group defines model risk as potential loss that may occur as a consequence of decisions or the risk of mis-estimation that could be principally based on the output of models, due to errors in the development, implementation or use of such models.

The model risk policy and standards define requirements for model development, validation, implementation and use, including regular model performance monitoring and, where required, model risk mitigants.

Model deficiencies identified through the development or validation process, or model performance issues identified through ongoing monitoring, are mitigated through respective model risk mitigants. Mitigants include model overlays, model restrictions and a model recalibration or redevelopment, all which undergo independent review, challenge, and approval.

The SCBSL Group monitors model risk via a set of risk appetite ("**RA**") metrics that are approved by the Board. Adherence to Model RA and any threshold breaches are reported to Hub Local Model Assessment Committee ("**Hub LMAC**"), SGARC and SCBSL Hub BRC. These metrics are reviewed on annual basis to ensure that threshold calibration remains appropriate, and the themes adequately cover the current risks.

Models undergo regular monitoring and independent validation based on their level of perceived model materiality and uncertainty, with results presented and breaches escalated to the model sponsor, model owner, group model validation. For internal ratings based approach ("**IRBA**") models approved by MAS and ECL models, results are also presented to Hub LMAC, and quarterly updates to SGARC and SCBSL Hub BRC. The frequency required by regulator over-write the frequency prescribed in the Model Risk Framework and the accompanying policy.

Financial Crime Risk

The SCBSL Group defines financial crime risk as the potential for legal or regulatory penalties, material financial loss or reputational damage resulting from the failure to comply with applicable laws and regulations relating to international sanctions, anti-money laundering and anti-bribery and corruption, and fraud.

The SCBSL Group has no appetite for breaches in laws and regulations related to financial crime, recognising that while incidents are unwanted, they cannot be entirely avoided. The SCBSL Group is building stronger defences to financial crime through compliance and nurturing a culture where combating financial crime is seen as part of daily work. The SCBSL Group is teaming up with banks, governments and regulators around the world to combat financial crime.

Compliance Risk

Compliance risk is the potential for penalties or loss to the SCBSL Group or an adverse impact to SCBSL Group's clients, stakeholders or to the integrity of the markets the SCBSL Group operates in through a failure on its part to comply with laws or regulation.

The Conduct, Financial Crime and Compliance ("**CFCC**") function of the SCBSL Group is responsible for the establishment and maintenance of policies, standards and controls to ensure continued legal and regulatory compliance, and the mitigation of compliance risk. The SCBSL Group follows the requirements of the Operational and Technology RTF to ensure a consistent approach to the management of processes and controls. In 2025, the SCBSL Group continued to deploy technological solutions to improve efficiencies and simplify processes. Such solutions included the launch of a new regulatory change management system for the SCBSL Group's regulatory obligations management and further enhancement of the SCBSL Group's Ask Compliance platform.

The SCBSL Group has a monitoring and reporting process in place for compliance risk, which includes escalation and reporting to the Risk and CFCC Non-Financial Risk Committee, Group Non-Financial Risk Committee ("**GNFRC**"), Group Risk Committee ("**GRC**"), BRC, and relevant Board committees. Compliance risk and the risk of non-compliance with laws and regulations resulting from failed processes and controls are reported at the respective country, business, product, function, Risk and CFCC Non-Financial Risk Committees. Relevant matters, as required, are further escalated to the GNFRC and GRC. The Audit Committee (and the BRC for relevant issues) provides oversight of the SCBSL Group's compliance risk. Notwithstanding that it is not a formal governance committee, the CFCC Oversight Group provides oversight of CFCC risks including the effective implementation of the Compliance RTF. The SCBSL Group's Regulatory Change Oversight Forum provides visibility and oversight of material and/or complex large-scale regulatory change emanating from financial services regulators impacting non-financial risks. The SCBSL Group's CFCC Policy Council provides oversight, challenge and direction to

compliance and FCC policy owners on material changes and positions taken in CFCC-owned policies, including issues relating to regulatory interpretation and the SCBSL Group's CFCC RA.

The Compliance RTF is the formal mechanism through which the delegation of Compliance Risk authorities is made. The Group Head, CFCC has the authority to delegate second line of defence responsibilities within the CFCC function to relevant and suitably qualified individuals.

Information and Cyber Security Risk

The SCBSL Group defines Information and Cyber Security Risk ("**ICS Risk**") as the risk to the SCBSL Group's assets, operations, and individuals due to the potential for unauthorised access, use, disclosure, disruption, modification, or destruction of information assets and/or information systems.

ICS Risk is managed through the ICS RTF, comprising a risk assessment methodology and supporting policy, standards, and methodologies. These are aligned to industry recommended practice. The SCBSL Group undertakes an annual ICS Effectiveness Review to evaluate ICS Risk management practices in alignment with the ERMF.

The BRC oversees the effective management of ICS Risk. The GRC has delegated authority to the GNFRG to ensure effective implementation of the ICS RTF. The GRC and GNFRG are responsible for oversight of ICS Risk profile and RA breaches. Sub-committees of the GNFRG have oversight of ICS Risk management arising from the businesses, countries and functions.

The ICS RTF defines how the SCBSL Group manages ICS Risk. The Group CISO delegates authority to designated individuals through the ICS RTF, including at a business, function, region and country level. The Group CISO is responsible for implementing ICS Risk Management within the SCBSL Group, and to cascade ICS risk management into the businesses, functions and countries to comply with the ICS RTF, policy, and standards.

Group CISO performs a threat-led risk assessment to identify key threats, in-scope applications and key controls required to ensure the SCBSL Group remains within RA. The ICS Risk profiles of all businesses, functions and countries are consolidated to present a holistic Group-level ICS Risk profile for ongoing monitoring. Mandatory ICS learning, phishing exercises and role-specific training support colleagues to monitor and manage this risk. During these reviews, the status of each risk is assessed against the SCBSL Group's controls to identify any changes to impact and likelihood, which affects the overall risk rating. Group CISO and Group CISO monitor the ICS Risk profile and ensure that breaches of RA are escalated to the appropriate governance committee or authority levels for remediation and tracking. A dedicated Group CISO team supports this work by executing offensive security testing exercises, including vulnerability assessments and penetration tests, which show a wider picture of the SCBSL Group's risk profile, leading to better visibility on potential "in flight" risks. The SCBSL Group also tracks remediation of security matters identified by external reviews such as the BoE CBEST Threat Intelligence-Led Assessment and the Hong Kong Monetary Authority's Intelligence-led Cyber Attack Simulation Testing (iCAST).

DESCRIPTION OF THE ASSETS AND LIABILITIES OF THE SCBSL GROUP

Assets

The following table shows the SCBSL Group's return on its assets and equity for the periods indicated.

	As of 31 December		
	2023	2024	2025
	In S\$ millions, except percentages		
Profit attributable to parent company shareholders	1,674	1,456	1,616
Return on assets (%) ⁽¹⁾⁽⁶⁾	1.0	0.8	0.8
ROTE (%) ⁽²⁾⁽⁶⁾	18.9	14.2	15.0
Total Capital Adequacy Ratio (%) ⁽³⁾⁽⁶⁾	24.0	24.3	22.8
CET1 (%) ⁽⁴⁾⁽⁶⁾	14.3	14.8	14.3
Leverage ratio (%) ⁽⁵⁾⁽⁶⁾	4.9	5.2	4.9

Notes:

- (1) Calculated by dividing Distributable Profit by average total assets. Distributable profit is defined as profit attributable to parent company shareholder less dividend paid to preference shareholders. Average total assets is taken as the simple average between opening and closing balance for the year
- (2) Calculated by dividing Distributable Profit by Tangible Equity. Tangible Equity is calculated by deducting Additional Tier 1 Capital and Intangible Assets from Equity.
- (3) Calculated by dividing Total Capital by Total Risk Weighted Assets.
- (4) Calculated by dividing CET 1 Capital by Total Risk Weighted Assets.
- (5) Calculated by dividing Tier Capital by Total Leverage Ratio exposure measure.
- (6) Presented as a non-GAAP measure.

Customer Loan Portfolio

As at 31 December 2025, 2024 and 2023, the SCBSL Group's loans and advances to customers (net of applicable impairment allowances) were S\$83.8 billion, S\$74.4 billion and S\$68.2 billion, respectively, which accounted for 42.0%, 40.8% and 41.1% of total assets for 31 December 2025, 2024 and 2023, respectively.

The SCBSL Group's gross loans and advances to customers were S\$84.6 billion, S\$75.2 billion and S\$69.0 billion as at 31 December 2025, 2024 and 2023, respectively.

Customer Loan Concentration

The SCBSL Group's credit concentration risk may arise from large exposure to a single counterparty or from multiple exposures across portfolios that are closely correlated. Large exposure concentration risk is managed against regulatory limit set at 25% of Tier 1 capital. At the portfolio level, credit concentration thresholds are set and monitored to control concentrations by, where appropriate, customer segment, industry, product, tenor, credit grade and collateral type.

The following table sets forth the SCBSL Group's total gross loans and advances to customers by industry classification as at 31 December 2025, 2024 and 2023:

	Customer Loan Concentrations as at 31 December					
	2023		2024		2025	
	In S\$ millions, except percentages					
Manufacturing.....	5,325	7.7%	6,738	9.0%	7,314	8.6%
Building and construction	2,622	3.8%	2,779	3.7%	2,479	2.9%
Housing.....	23,080	33.5%	22,047	29.3%	24,228	28.6%
General commerce	5,123	7.4%	4,438	5.9%	5,074	6.0%
Transportation, storage and communications ...	2,935	4.3%	3,391	4.5%	3,617	4.3%
Financial institutions	3,904	5.7%	5,673	7.5%	5,506	6.5%
Professionals and private individuals (except housing loans).....	20,362	29.5%	23,361	31.1%	27,496	32.5%
Others.....	5,618	8.1%	6,750	9.0%	8,852	10.5%
Total.....	68,969	100%	75,178	100%	84,566	100%

Housing Loans

As at 31 December 2025, the SCBSL Group's gross housing loans accounted for 28.6% of its total gross customer loans and advances compared to 29.3% as at 31 December 2024 and 33.5% as at 31 December 2023.

In Singapore, housing loans are granted to purchasers of both public and private residential properties. Housing loans are typically amortising loans and priced either on fixed or floating rates. These loans are secured by a mortgage on the underlying property. The loan-to-value limit of housing loans is currently 75% for the first purchase loan, 45% for the second purchase loan and 35% for subsequent purchase loans. The aforesaid loan-to-value limits are lowered to 55%, 25% and 15% respectively when the loan tenure exceeds 30 years or extends beyond the borrower's age of 65 years.

In addition, in June 2013, the MAS implemented a Total Debt Servicing Ratio ("**TDSR**") framework for property loans that aims to promote financial prudence and prevent over-leveraging by property purchasers. Subject to certain exemptions, the TDSR threshold restricts the borrower's monthly total debt obligations to not more than 55% of the purchaser's gross monthly income. The TDSR framework was fine-tuned in 2016, 2017, 2021 and 2022.

Further, additional buyer stamp duties ranging from 5% to 60% were imposed on individuals as part of property cooling measures. Only Singapore citizens buying their first property are exempted from these additional stamp duties.

Additionally, seller's stamp duty ("**SSD**"), a property cooling measure designed to discourage short-term speculation and promote market stability, was revised in July 2025. The maximum SSD rate was raised from 12% to 16% for residential properties sold within the first year of purchase, with gradually lower rates applied over a four-year holding period, up from three-years. The higher SSD further increases the cost of quick resales, reinforcing the policy objective of curbing speculative activity and encouraging longer-term ownership.

Professionals and Private Individuals

Loans to professionals and private individuals (except housing loans) accounted for 32.5%, 31.1% and 29.5% of the SCBSL Group's total gross customers loans and advances as at 31 December 2025, 2024 and 2023, respectively.

The SCBSL Group provides loans to professionals and individuals for the purchase of non-residential properties including commercial and selected light industrial properties. Other consumer lending includes secured investment facilities (such as unit trust leverage financing, insurance financing and portfolio financing), credit card receivables, revolving lines of credit and personal loans.

Manufacturing

As at 31 December 2025, gross loans to the manufacturing sectors accounted for 8.6% of the SCBSL Group's total gross customers loans and advances, as compared to 9.0% as at 31 December 2024 and 7.7% as at 31 December 2023.

The SCBSL Group's manufacturing customers range from small to large corporations and include many of the major manufacturing companies and groups in Singapore, several large multi-national groups and smaller companies.

General Commerce

As at 31 December 2025, gross loans to the general commerce sector accounted for 6.0% of the SCBSL Group's total gross customers loans and advances, as compared to 5.9% as at 31 December 2024 and 7.4% as at 31 December 2023.

The SCBSL Group's general commerce customers include wholesalers and retailers.

Financial Institutions

As at 31 December 2025, 2024 and 2023, gross loans to the financial institutions sector accounted for 6.5%, 7.5% and 5.7% respectively of the SCBSL Group's total gross customers loans and advances.

Counterparties span across a variety of financial institutions, including but not limited to, central banks, banks, insurance companies, securities companies, clearing houses, supranationals, leasing and finance companies and various traditional/alternative funds.

Building and Construction

As at 31 December 2025, gross loans to the building and construction sector accounted for 2.9% of the SCBSL Group's total gross customers loans and advances as compared to 3.7% as at 31 December 2024 and 3.8% as at 31 December 2023.

The SCBSL Group provides funding, mainly on a secured basis, for a variety of projects, such as office buildings and complexes, residential developments, industrial developments and retail developments. The SCBSL Group follows a set of internal guidelines for determining the suitability of any particular building and construction project. For example, it will typically analyse, among other things, information such as the projected cash flows, the developer's track record, financial condition and reputation, the quality of the proposed construction and the location of the project and will require the borrower to submit business plans and feasibility studies. The SCBSL Group tends to enter into repeat transactions with those developers with which it has had previous experience.

Transportation, Storage and Communication

Loans to the transportation, storage and communications sector were 4.3% of the SCBSL Group's total gross customers loans and advances portfolio as at 31 December 2025 as compared to 4.5% as at 31 December 2024 and 4.3% as at 31 December 2023.

Others

Loans classified as "others" accounted for 10.5% of the SCBSL Group's total gross customers loans and advances as at 31 December 2025, as compared to 9.0% as at 31 December 2024 and 8.1% as at 31 December 2023. Loans classified as "others" comprise mainly lending to government-linked corporations, statutory boards, hotels and other SMEs.

Limits on Exposures to Specified Groups of Persons

Section 29 of the Banking Act provides that a bank in Singapore shall limit its exposure to certain groups of persons, including a substantial shareholder group of the bank, a director group of the bank and the financial group of the bank.

See "Regulation and Supervision – Regulation and Supervision in Singapore – The Regulatory Environment – Other Key Prudential Provisions".

Customer Loans and Advances Maturity Profile

As at 31 December 2025, gross loans and advances to customers maturing within seven days constituted 22.4%, gross loans and advances to customers maturing after seven days to a month constituted 9.8%, gross loans and advances to customers maturing after one month and to three months constituted 6.3%, gross loans and advances to customers maturing after three months and to one year constituted 7.4%, gross loans and advances to customers maturing after one year and to three years constituted 8.2% and gross loans and advances to customers maturing over three years accounted for the remainder of total gross loans and advances to customers. Loans and advances to customers with maturities of less than one year include revolving credit and overdraft facilities, which are typically renewed upon rollover and actual repayment patterns are of a longer-term nature.

The following table sets forth an analysis of the SCBSL Group's gross loans and advances to customers by maturity:

	Within 7 days	Over 7 days to 1 Month	Over 1 Month to 3 Months	Over 3 Months to 1 Year	Over 1 Year to 3 Years	Over 3 years	Total
	In S\$ millions						
2025	18,912	8,310	5,357	6,298	6,919	38,770	84,566
2024	15,080	7,515	4,538	5,517	7,270	35,258	75,178
2023	13,858	6,582	3,719	4,789	6,812	33,209	68,969

Credit Quality Information

Classification of Loans

The SCBSL Group uses an internal risk mapping to determine the credit quality for loans. All loans are assigned a credit grade, which the SCBSL Group reviews periodically and amends in light of changes in the borrower's circumstances or behaviour. Grades 1 to 12 are assigned to stage 1 and stage 2 (performing) loan accounts, while Grades 13 and 14 are assigned to stage 3 or NPAs (non-performing or defaulted) loan.

The mapping of credit classification and credit quality is as follows.

Credit quality description	Corporate and Investment Banking Internal grade mapping	Regulatory Probability of Default range⁽¹⁾ (%)	Private Banking⁽²⁾	Consumer and Business Banking Number of days past due
Strong	Grades 1A-5B	0 to 0.425	Class I and Class IV	No past dues nor impaired
Satisfactory	Grades 6A-11C	0.426 to 15.75	Class II and Class III	Past due till 29 days
Higher Risk	Grades 12	15.751 to 99.999	Stressed Assets Group (SAG) managed	Past due 30 days and over till 90 days

Notes:

- (1) Refers to the SCBSL Group's internal estimates of probability of default associated with the respective internal grades, and represents the likelihood that an obligor will default on an obligation within the next 12 months.
- (2) For Private Banking, classes of risk represent the type of collateral held. Class I represents facilities with liquid collateral, such as cash and marketable securities. Class II represents unsecured and partially secured facilities and those with illiquid collateral, such as equity in private enterprises. Class III represents facilities with residential or commercial real estate collateral. Class IV covers margin trading facilities

Loans that are credit impaired (or in default) represents those that are at least 90 days past due in respect of principal and/or interest. Loans are also considered to be credit impaired where the obligors are unlikely to pay on the occurrence of one or more observable events that have a detrimental impact on the estimated future cash flows of the loan.

Evidence that a loan is credit impaired includes observable data about the following events:

- significant financial difficulty of the issuer or borrower;
- breach of contract such as default or a past due event;
- for economic or contractual reasons related to the borrower's financial difficulty, the lenders of the borrowers have granted concessions that lenders would not otherwise consider;
- pending or actual bankruptcy of other financial reorganisation to avoid or delay discharge of borrower's obligation; and
- disappearance of an active market for applicable financial asset due to financial difficulties of the borrower.

The SCBSL Group's first line of defence is performed by its special recovery unit, Stressed Assets Group ("SAG"), which manages credit impaired accounts. The Stressed Assets Risk ("SAR") team performs as the second line of defence for credit-impaired accounts. Where any amount is considered irrevocable, a stage 3 credit-impairment allowance is raised.

Irrevocable lending commitments to a credit impaired obligor that have not yet been drawn down are also included within the stage 3 credit impairment to the extent that the commitment cannot be withdrawn.

A period may elapse from the point at which instruments enter lifetime expected credit losses (stage 2 or 3) and are reclassified back to 12 months expected credit losses (stage 1). For financial assets that are credit impaired (stage 3), a transfer to stage 2 or stage 1 is only permitted where the instrument is no longer considered to be credit-impaired. An instrument will no longer be considered credit-impaired when there is no shortfall of cash flows compared to the original contractual terms.

For financial assets within stage 2, these can only be transferred to stage 1 when they are no longer considered to have experienced a SICR.

Where significant increase in credit risk was determined using quantitative measures, the instruments will automatically transfer back to stage 1 when the original Probability of Default ("PD") based transfer criteria are no longer met. Where instruments were transferred to stage 2 due to an assessment of qualitative factors, the issues that led to the reclassification must be cured before the instruments can be reclassified to stage 1. This includes instances where management actions led to instruments being classified as stage 2, requiring that action to be resolved before loans are reclassified to stage 1.

Credit Monitoring

The SCBSL Group regularly monitors credit exposures, portfolio performances and external trends that may impact risk management outcomes. Internal risk management reports are presented to the risk committees containing information on key trends across major portfolios, portfolio delinquency and loan impairment performance.

Borrowers are placed on early alert when they display signs of actual or potential weakness. Such accounts are subject to a dedicated credit monitoring process overseen by the Credit Issues Committee. Portfolio delinquency trends are monitored continuously at a detailed level. Individual customer behaviour is also tracked and is considered for lending decisions.

The SCBSL Group's total NPAs were S\$1.0 billion as at 31 December 2025, S\$1.1 billion as at 31 December 2024 and S\$1.1 billion as at 31 December 2023.

Loan Loss Provisioning and Reserve, Interest Accrual and Write-off Policies

The SCBSL Group adopted provisioning policies in accordance with International Financial Reporting Standards 9 which SFRS(I) is aligned to and provides for ECL. ECL are unbiased and probability-weighted estimates of credit losses determined by evaluating a range of possible outcomes, considering past events, current conditions and assessments of future economic conditions at the reporting date. The SCBSL Group primarily uses models that utilise the PD, LGD and EAD metrics, discounted using the effective interest rate in determining ECL.

Under the MAS Notice 612 requirement, the SCBSL Group is required to maintain a MRLA of 1% of the gross carrying amount of selected credit exposures, net of collaterals. Where the accounting loss allowance computed under FRS 109 is less than the MRLA, the SCBSL Group shall maintain the difference in a non-distributable RLAR account through the appropriation of retained earnings to meet the minimum 1% amount. Where the aggregated accounting loss allowance and RLAR exceeds the MRLA, the SCBSL Group may transfer to excess amount in the RLAR to retained earnings.

Under applicable tax regulations in Singapore first issued by the IRAS on 30 December 2005 and revised on 16 March 2015, banks are allowed to claim deductions on individual and collective impairment loss allowances for assets on revenue accounts (such as loans).

Pursuant to Section 34AA of the Income Tax Act and the IRAS e-Tax Guide on Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments, banks are allowed to claim tax deductions on impairment losses recognised in the P&L in respect of credit-impaired financial instruments (such as debt instruments and loan commitments) that are on revenue account.

The provisions in section 14G of the Income Tax Act apply in relation to a provision made by a bank for an expected credit loss arising from loans or securities that are not credit-impaired, as those provisions apply in relation to a provision for doubtful debts arising from the bank's loans or for diminution in the value of the bank's investments in securities. The total amount of deductions in respect of the provision for doubtful debts arising from a bank's loans and the provision for diminution in value of its investments in securities made in the basis period for any year of assessment ("YA") shall not exceed the lowest of:

- (i) 25% of the qualifying profits for the basis period for that YA;
- (ii) 0.5% of the prescribed value of the loans and investments in securities in the basis period for that YA; and
- (iii) 3% of the prescribed value of the loans and investments in securities in that basis period for that YA (less the total amount of all deductions previously allowed which have not been deemed to be trading receipts).

Under the current tax rules for ECL, the maximum tax-deductible ECL that could be claimed each year are restricted to the lower of 25% of qualifying profits and 0.5% of the prescribed value of qualifying loans and investments in securities and the cumulative tax deduction claims of up to 3% of the prescribed value of qualifying loans and investments in securities. Where a tax deduction on ECL was claimed under current tax rules, the corresponding write-back or reversal is taxable capped at the total amount of all deductions previously allowed under section 14G.

Credit Exposure

The following tables set forth various statistics with respect to the SCBSL Group's NPAs and loss allowances:

	Bills receivable	Loans and advances to customers	Loans and advances to banks	Debt securities*	Loan Commitments	Financial Guarantees
	<i>In S\$ millions</i>					
2023						
Gross amount						
Stage 1.....	8,384	64,200	9,154	11,198	52,639	9,830
Stage 2.....	40	2,531	-	-	569	238
Stage 3	89	982	-	22	3	79
	<u>8,513</u>	<u>67,713</u>	<u>9,154</u>	<u>11,220</u>	<u>53,211</u>	<u>10,147</u>
Total credit impairment						
Stage 1.....	-	(107)	(2)	(1)	(7)	(2)
Stage 2.....	(1)	(72)	-	-	(3)	(1)
Stage 3	(44)	(546)	-	-	-	(32)
	<u>(45)</u>	<u>(725)</u>	<u>(2)</u>	<u>(1)</u>	<u>(10)</u>	<u>(35)</u>
Carrying amount (net)	<u>8,468</u>	<u>66,988</u>	<u>9,152</u>	<u>11,219</u>	<u>53,201</u>	<u>10,112</u>
Total cumulative loss allowances as a % of NPA	<u>50.4%</u>	<u>73.9%</u>	<u>N/A</u>	<u>7.6%</u>	<u>>100%</u>	<u>45.0%</u>

	Bills receivable	Loans and advances to customers	Loans and advances to banks	Debt securities*	Loan Commitments	Financial Guarantees
	<i>In S\$ millions</i>					
2024						
Gross amount						
Stage 1.....	10,104	69,242	7,153	17,945	59,808	11,532
Stage 2.....	9	3,581	-	-	556	211
Stage 3	111	918	0	23	4	104
	<u>10,224</u>	<u>73,741</u>	<u>7,153</u>	<u>17,969</u>	<u>60,367</u>	<u>11,848</u>
Total credit impairment						
Stage 1.....	(1)	(148)	(2)	(1)	(11)	(2)
Stage 2.....	(0)	(70)	-	-	(13)	(1)
Stage 3	(45)	(543)	(0)	(0)	(0)	(17)
	<u>(46)</u>	<u>(761)</u>	<u>(2)</u>	<u>(2)</u>	<u>(23)</u>	<u>(20)</u>
Carrying amount (net)	<u>10,179</u>	<u>72,981</u>	<u>7,151</u>	<u>17,967</u>	<u>60,344</u>	<u>11,828</u>
Total cumulative loss allowances as a % of NPA	<u>40.9%</u>	<u>82.9%</u>	<u>>100%</u>	<u>7.9%</u>	<u>>100%</u>	<u>19.4%</u>

	Bills receivable	Loans and advances to customers	Loans and advances to banks	Debt securities*	Loan Commitments	Financial Guarantees
	<i>In S\$ millions</i>					
2025						
Gross amount						
Stage 1.....	8,756	77,349	10,850	29,194	62,687	11,872
Stage 2.....	85	3,115	2	32	1,182	296
Stage 3	47	902	0	23	2	23
	<u>8,888</u>	<u>81,365</u>	<u>10,852</u>	<u>29,250</u>	<u>63,871</u>	<u>12,191</u>
Total credit impairment						
Stage 1.....	(1)	(168)	(1)	(6)	(11)	(3)
Stage 2.....	(0)	(58)	(0)	(0)	(3)	(1)

	Bills receivable	Loans and advances to customers	Loans and advances to banks	Debt securities*	Loan Commitments	Financial Guarantees
			<i>In S\$ millions</i>			
Stage 3	(43)	(494)	(0)	(0)	-	(8)
	(44)	(720)	(2)	(6)	(14)	(12)
Carrying amount (net)	8,844	80,646	10,850	29,243	63,857	12,179
Total cumulative loss allowances as a % of NPA	93.4%	79.8%	>100%	27.3%	>100%	51.6%

Note:

* Includes Singapore and other government securities

Changes in Credit

The following table shows changes in the SCBSL Group's expected credit loss for 2023, 2024 and 2025.

	Year ended 31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
	<i>in S\$ millions</i>			
Loans and advances to banks, customers and bills receivable at amortised cost				
Balance at 1 January.....	105	53	705	863
Transfer to stage 1	80	(77)	(3)	-
Transfer to stage 2	(45)	49	(4)	-
Transfer to stage 3	#	(55)	55	-
Net remeasurement of loss allowance	(81)	88	373	380
New financial assets purchased or originated during the period	105	30	#	135
Financial assets that have been derecognised	(51)	(13)	(378)	(442)
Net charge/(release) against profit.....	(27)	105	(5)	73
Write-offs.....	-	-	(118)	(118)
Discount unwinding	-	-	(6)	(6)
Foreign exchange and other movements	(3)	(3)	(34)	(40)
Balance as of 31 December	110	72	590	772

Note:

Amount under S\$500,000

	Year ended 31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	<i>in S\$ millions</i>			
Loans and advances to banks, customers and bills receivable at amortised cost				
Balance at 1 January.....	110	72	590	772
Transfer to stage 1	123	(123)	-	-
Transfer to stage 2	(37)	73	(35)	-
Transfer to stage 3	(0)	(52)	52	-
Net remeasurement of loss allowance	(112)	76	554	518
New financial assets purchased or originated during the period	126	40	11	177
Financial assets that have been derecognised	(64)	(18)	(410)	(492)
Net charge/(release) against profit.....	(50)	98	155	203
Write-offs.....	-	-	(135)	(135)
Discount unwinding	-	-	(20)	(20)
Foreign exchange and other movements	5	2	(19)	(12)
Balance as of 31 December	150	70	588	808

	Year ended 31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
	<i>in S\$ millions</i>			
Loans and advances to banks, customers and bills receivable at amortised cost				
Balance at 1 January.....	150	70	588	808
Transfer to stage 1	123	(123)	-	-
Transfer to stage 2	(37)	51	14	-
Transfer to stage 3	(1)	(57)	58	-
Net remeasurement of loss allowance	(153)	112	632	592

	Year ended 31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
	in S\$ millions			
New financial assets purchased or originated during the period	156	26	6	187
Financial assets that have been derecognised	(65)	(20)	(484)	(569)
Net charge/(release) against profit	(63)	118	155	210
Write-offs	-	-	(234)	(234)
Discount unwinding	-	-	(15)	(15)
Foreign exchange and other movements	(3)	(1)	(1)	(4)
Balance as of 31 December	170	58	537	765

	Year ended 31 December 2023			
	Stage 1	Stage 2	Stage 3	Total
	in S\$ millions			
Debt securities held at amortised cost and fair value through other comprehensive income*				
Balance at 1 January	3	-	-	3
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Net remeasurement of loss allowance	(3)	-	-	(3)
New financial assets purchased or originated during the period	2	-	-	2
Financial assets that have been derecognised	-	-	-	-
Net charge/(release) against profit	(1)	-	-	(1)
Write-offs	-	-	-	-
Foreign exchange and other movements	#	-	(#)	(#)
Balance as of 31 December	2	-	#	2

Notes:

* Includes Singapore and other government securities

Amount under S\$500,000

	Year ended 31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	in S\$ millions			
Debt securities held at amortised cost and fair value through other comprehensive income*				
Balance at 1 January	1	-	-	1
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Net remeasurement of loss allowance	(1)	-	-	(1)
New financial assets purchased or originated during the period	1	-	-	1
Financial assets that have been derecognised	-	-	-	-
Net charge/(release) against profit	#	-	-	#
Foreign exchange and other movements	(#)	-	-	(#)
Balance as of 31 December	1	-	-	1

Notes:

* Includes Singapore and other government securities

Amount under S\$500,000

	Year ended 31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
	in S\$ millions			
Debt securities held at amortised cost and fair value through other comprehensive income*				
Balance at 1 January	1	-	#	1
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Net remeasurement of loss allowance	2	(#)	-	2
New financial assets purchased or originated during the period	2	#	-	2
Net charge against profit	4	#	-	4
Foreign exchange and other movements	-	(#)	#	-
Balance as of 31 December	6	#	#	6

Notes:

* Includes Singapore and other government securities

Amount under S\$500,000

Securities Portfolio

The SCBSL Group classifies its securities portfolio in line with the requirements under SFRS(I) 9. Its securities are classified into the following:

- At amortised cost using the effective interest method – These are debt securities which are held in order to collect the contractual cash flows ("**hold to collect**") and where the contractual cash flows are solely payments of principal and interest ("**SPPI**");
- Fair value through other comprehensive income ("**FVOCI**") – Debt ("**FVOCI-Debt**") – These are debt securities with SPPI characteristics and where the business model objectives are achieved by collecting the contractual cash flows and by selling the assets ("**hold to collect and sell**"). Unrealised gains or losses on FVOCI debt instruments arising from changes in fair value are recorded in other comprehensive income. When they are sold or impaired, the cumulative gain or loss is transferred to profit or loss;
- FVOCI – Equity ("**FVOCI – Equity**") – These are non-trading equity securities acquired for strategic purposes rather than capital gain. All unrealised gains and losses arising from changes in fair value are recorded in other comprehensive income. Upon derecognition, the cumulative gain or loss is transferred to retained earnings and not reclassified to profit or loss; and
- Fair Value through profit or loss ("**FVTPL**") – These are securities not held at amortised cost or not held at FVOCI. Realised and unrealised gains or losses on FVTPL financial assets are taken directly to the dealing and foreign exchange (losses)/income line in the income statement in the period they arise.

The SCBSL Group's securities are disclosed as follows on its balance sheet:

- Singapore government securities and treasury bills;
- other government securities and treasury bills; and
- investment securities.

The following table sets forth book-value data relating to the SCBSL Group's securities portfolio, as at the periods indicated:

	As at 31 December					
	2023	% ⁽¹⁾	2024	% ⁽¹⁾	2025	% ⁽¹⁾
	In S\$ millions, except percentages					
Singapore government securities and treasury bills	5,128	3.1	16,493	9.0	29,161	14.6
Other government securities and treasury bills.	8,547	5.1	10,086	5.5	11,975	6.0
Investment securities.....	7,611	4.6	6,809	3.7	6,757	3.4
Total	21,286	12.8	33,388	18.3	47,893	24.0

Note:

(1) As a percentage of total assets.

Funding

The SCBSL Group's funding is predominantly composed of deposits from non-bank customers. The percentage of total liabilities attributable to non-bank customer deposits was 79.7%¹¹, 79.5%¹¹ and 81.6%¹¹ as at 31 December 2025, 2024 and 2023, respectively.

¹¹ Calculated by dividing total deposits of non-bank customers by total liabilities.

As at 31 December 2025, the SCBSL Group's loan-to-non-bank customer deposit ratio of 56.3%¹² reflects that funding from non-bank customer deposits was in excess of loan requirements.

The SCBSL Group's non-bank customer deposits are diversified, of which the retail segment comprises a substantial portion of total deposits. Retail segment deposits are generally stable and low cost.

The SCBSL Group's funding is supplemented by debt issuances, including, but not limited to, medium term notes, commercial papers, certificates of deposits and subordinated term debts. The SCBSL Group accesses wholesale funds through public offerings and private placements of debt instruments. Borrowings from commercial banks and other financial institutions account for a relatively minor portion of the SCBSL Group's total borrowings.

The SCBSL Group raises foreign currency funding, mainly in U.S. dollars. Major sources of foreign currency funds are non-bank customer deposit from small to large multinational corporation as well as international markets and the domestic money markets in countries in which the SCBSL Group operates.

The following table sets forth a breakdown of the sources of the SCBSL Group's funding at the periods indicated:

	As at 31 December		
	2023	2024	2025
	<i>In \$S millions</i>		
Total equity (excluding non-controlling interests).....	11,120	12,093	12,840
Non-controlling interests	69	105	94
Total Equity	11,188	12,198	12,933
Deposits and balances of banks	7,139	5,766	5,993
Deposits of non-bank customers.....	126,327	135,127	148,820
Structured notes and deposits	890	2,480	4,304
Derivative financial instruments and other trading liabilities	5,000	6,530	6,943
Bills and drafts payable	2,346	2,629	2,845
Amounts due to intermediate holding company and its branches.....	3,677	4,618	3,894
Amounts due to related corporations	1,499	3,141	3,576
Current tax payable	252	227	206
Other liabilities.....	4,098	5,725	6,558
Subordinated notes.....	3,569	3,738	3,409
Deferred tax liabilities	75	66	74
	154,872	170,047	186,621
Due within 1 year	148,196	161,814	177,800
Due after 1 year.....	6,676	8,233	8,821
	154,872	170,047	186,621

Deposits

The SCBSL Group offers a variety of deposit accounts, including non-interest-bearing demand deposits and interest-bearing savings and term deposits. The SCBSL Group generally sets the deposit interest rates according to market conditions. For fixed deposits, the interest rates offered vary according to the maturity and size of the deposit. When a fixed deposit matures and rolls over, the prevailing interest rate will be used.

The SCBSL Group's deposit funding consists primarily of contractually short-term deposits, these deposits are mainly in statistically stable savings and current deposits, and retail fixed deposits that are often rolled over at maturity.

These provide the SCBSL Group with a stable source of long-term funds.

¹² Calculated by dividing total loans and advances to customers by total deposits of non-bank customers.

Deposits Maturity Profile

The following table sets forth a breakdown of the SCBSL Group's deposits by remaining maturity for periods indicated:

Maturity Profile of Deposits and Balances of Banks							
	Within 7 days	Over 7 days to 1 Month	Over 1 Month to 3 Months	Over 3 Months to 1 Year	Over 1 Year to 3 Years	Over 3 Years	Total
<i>In S\$ millions</i>							
2023	4,628	745	1,076	144	540	6	7,139
2024	2,843	136	1,456	786	544	#	5,766
2025	4,131	84	1,610	168	-	#	5,993

Note:

Amount under S\$500,000

Maturity Profile of Non-Bank Customers Deposits							
	Within 7 days	Over 7 days to 1 Month	Over 1 Month to 3 Months	Over 3 Months to 1 Year	Over 1 Year to 3 Years	Over 3 Years	Total
In S\$ millions							
2023	90,363	9,853	12,002	13,662	380	67	126,327
2024	96,355	12,577	10,363	15,700	108	24	135,127
2025	106,944	11,710	12,696	17,438	25	7	148,820

Other Sources of Funding

Interbank Funding

The SCBSL Group is a leading participant in domestic and foreign interbank markets and maintains money market lines with a large number of domestic and foreign banks.

As at 31 December 2025, the SCBSL Group had total interbank liabilities of S\$5,993 million (or 3.0% of total liabilities and total parent company shareholders' equity) and interbank assets of S\$12,841 million (or 6.4% of total assets).

As at 31 December 2024, the SCBSL Group had total interbank liabilities of S\$5,766 million (or 3.2% of total liabilities and total parent company shareholders' equity) and interbank assets of S\$9,268 million (or 5.1% of total assets).

As at 31 December 2023, the SCBSL Group had total interbank liabilities of S\$7,139 million (or 4.3% of total liabilities and total parent company shareholders' equity) and interbank assets of S\$12,636 million (or 7.6% of total assets).

Structured Notes and Deposits

As at 31 December 2025, the structured notes and deposits include debt securities issued, credit-linked, fixed and floating rate notes.

The following table sets forth an analysis of the SCBSL Group's structured notes and deposits remaining time to maturity for the periods indicated:

Maturity Profile of Structured Notes and Deposits							
	Within 7 days	Over 7 days to 1 Month	Over 1 Month to 3 Months	Over 3 Months to 1 Year	Over 1 Year to 3 Years	Over 3 Years	Total
<i>In S\$ millions</i>							
2023	17	126	157	398	165	27	890
2024	14	20	390	476	806	774	2,480
2025	31	375	363	607	1,699	1,230	4,304

Subordinated Notes

The following table sets forth a breakdown of the subordinated notes issued by the SCBSL Group:

	As at 31 December		
	2023	2024	2025
	<i>In S\$ millions</i>		
At amortised cost.....	3,569	3,738	3,409
	As at 31 December		
	2023	2024	2025
	<i>In S\$ millions</i>		
US\$540 million Floating Rate subordinated Notes due 2030	711	735	-
Callable in 2025			
US\$400 million Floating Rate subordinated Notes due 2030	527	544	-
Callable in 2025			
US\$550 million Floating Rate Subordinated Notes due 2032	725	748	707
Callable in 2027			
US\$400 million Floating Rate Subordinated Notes due 2033	527	544	514
Callable in 2028			
US\$500 million Floating Rate Subordinated Notes due 2033	659	680	643
Callable in 2028			
S\$335 million Floating Rate Subordinated Notes due 2034	-	335	335
Callable in 2029			
RM500 million Floating Rate Subordinated Bonds due 2028	144	-	-
Callable in 2023			
RM500 million Floating Rate Subordinated Bonds due 2029	144	152	-
Callable in 2024			
US\$100 million Floating Rate subordinated Notes due 2029	132	-	-
Callable in 2024			
US\$540 million Floating Rate Subordinated Notes due 2035	-	-	695
Callable in 2030			
US\$400 million Floating Rate Subordinated Notes due 2035	-	-	514
Callable in 2030			
Total Subordinated Notes	3,569	3,738	3,409

GOVERNANCE AND MANAGEMENT

Governance Framework

The board of directors of SCBSL (the "**Board**") is committed to observing good corporate governance and works with senior management of SCBSL ("**Management**") to deliver sustainable value to stakeholders.

As a regulated financial institution in Singapore, SCBSL is guided in its corporate governance practices by the principles and guidelines listed in the Banking (Corporate Governance) Regulations 2005 (the "**CG Regulations**") and all material aspects of the Guidelines on Corporate Governance for Designated Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are incorporated in Singapore, issued by the MAS on 9 November 2021 (the "**CG Guidelines**").

Board Composition

Board members collectively have a wide range and depth of experience and industry expertise, representing diversity of age, gender, nationality, skills and knowledge. This includes experience in the areas of strategic planning, accounting and finance, sales and marketing, and business management in industries that are relevant to the SCBSL Group.

The Board assesses its size and composition as well as each Director's independence annually. The Board strives to ensure appropriate Board size and composition with appropriately matched skills and expertise to provide effective stewardship to the SCBSL Group. The Board reviews its composition regularly to ensure that (i) it is sufficiently independent from Management and business relationships and the substantial shareholder, (ii) it has sufficient independence to challenge Management, (iii) it has an appropriate balance of skills, knowledge, diversity of perceptions and experience relevant to the nature of the SCBSL Group's business and (iv) it takes into account broader diversity considerations such as gender, age and nationality/ethnicity. Any potential conflicts of interest are taken into consideration.

The SCBSL Group endeavours to maintain a strong and independent mindset within the Board. As of the date of this Offering Memorandum, independent Directors make up more than half of the Board. The Board determines the independence of a Director based on the criteria set out in the CG Guidelines to identify whether any indicator of independence and objectivity would be impaired. On an annual basis, the SCBSL Board assesses the independence of each Director, including his or her character and judgement; and whether there are relationships or circumstances which are likely to affect, or could appear to affect, the Director's judgement. Each Director is required to disclose to the Board any such relationships or circumstances as and when they arise.

The following table sets out the members of the Board as of the date of this Offering Memorandum:

Name	Title
Mr Benjamin Hung Pi-Cheng	Chairman and Non-Executive Director
Mr Patrick Lee Fook Yau	Executive Director and Chief Executive Officer
Mr Shivkumar Mahadevan	Non-Executive Director
Mr Roger Gu Chenwei	Independent Non-Executive Director
Ms Lily Low	Independent Non-Executive Director
Mr Kevin Kwok Khien	Independent Non-Executive Director
Ms Agnes Liew Yun Chong	Independent Non-Executive Director

Mr Benjamin Hung Pi-Cheng

President, International

Chairman and Non-Executive Director

Mr Hung was appointed to the Board as a Non-Executive Director on 11 November 2021.

Mr Hung is the President, International for the SCPLC Group. He sits on the SCPLC Group's management team and is the Chairman of SCB (Hong Kong) Limited and SCB (China) Limited.

Mr Hung joined the SCPLC Group in 1992 and has held several senior management positions spanning corporate, commercial and retail banking. Prior to his current role, he was CEO, Asia, overseeing SCBSL's presence in 21 Asian markets.

Mr Hung is a member of the Hong Kong Chief Executive's Council of Advisers, Exchange Fund Advisory Committee and the General Committee of the Hong Kong General Chamber of Commerce. He is an economic advisor at the International Consultative Conference on the Future Economic Development of Guangdong Province, Mainland China. He was previously the chairman of the Hong Kong Association of Banks, a member of the Financial Services Development Council, a board member of the Hong Kong Exchanges and Clearing Limited, the Hong Kong Airport Authority and the Hong Kong Hospital Authority, and a Council Member of the University of Hong Kong.

He holds a Master's degree in Business Administration.

Mr Patrick Lee Fook Yau

CEO Singapore and ASEAN

Executive Director

Mr Lee was appointed to the Board as an Executive Director on 25 September 2018.

As CEO for Singapore and ASEAN, Mr Lee is responsible for steering and executing business development and strategy for SCBSL in ASEAN, including Australia. These are key strategic markets for the SCB Group, and Singapore is home to the SCBSL's global businesses and Technology and Operations functions.

Before assuming his current role, Mr Lee was CEO Singapore and Head of Global Banking Singapore, where he was responsible for SCBSL's corporate and institutional client businesses.

Before joining the SCBSL Group in 2012, Mr Lee was Managing Director, Head of Southeast Asia Investment Banking at Nomura. Prior to that, he was Head of Singapore/Malaysia Investment Banking at UBS and Executive Director, Investment Banking at Morgan Stanley. He has over 30 years of experience in the banking industry, including corporate and investment banking, product and sector coverage, and has worked in Singapore, Hong Kong and London.

Mr Lee is a Co-Founder and Board Director of Leap Philanthropy Ltd, a Singapore-based charity active in the region. He is also a Board Director of Clifford Capital (established as a specialist provider of structured finance solutions). He is an Executive Committee member of Singapore Trade Data Exchange Services Pte Ltd (SGTraDex) and serves on the Board of Climate Impact X Pte Ltd as an Alternate Director. In 2022, Patrick was named an 'IBF Distinguished Fellow' by the Institute of Banking and Finance (IBF) Singapore for his contributions to the growth and development of the financial sector.

Mr Lee graduated with a BA (First Class Honours) and MA in English from Trinity College, Cambridge.

Mr Shivkumar Mahadevan

Co-Head-Chief Risk Officer, Corporate and Investment Banking and Chief Risk Officer, ASEAN & South Asia

Non-Executive Director and Board Risk Committee Member

Mr Mahadevan was appointed to the Board as a Non-Executive Director on 31 December 2023.

Mr Mahadevan is currently the Co-Head-Chief Risk Officer, CIB and Chief Risk Officer, ASEAN & South Asia at SCB, with overall risk responsibility for CIB clients across all geographies.

Mr Mahadevan chairs the SCB Group's CIB Risk Committee which oversees all the risks associated with the CIB business. He is responsible for risk managing a global portfolio of USD 500 billion spanning across 60 countries and a team of 400 Risk Officers. Besides exercising direct control responsibility for Credit and Market Risk, he is extensively involved in maintaining alignment with risk appetite by rebalancing risks or controls that may be required in response to internal and external factors. At SCB, he is also a member of the Group Risk Management Team, Global Strategy Delivery Squad, Remuneration Forum and Underwriting Committee.

Prior to this, he was the Regional Chief Risk Officer ("RCRO"), ASEAN and South Asia, and responsible for all risk types for the region. Before the RCRO role, Mr Mahadevan was Senior Regional Credit Officer, Asia, providing credit risk oversight for all Corporate, Institutional and Commercial clients across Asia. He has also been the Head of Credit Risk – Specialized Finance, Funds and Traded Products. In his tenure at SCB, he has been actively engaged in risk managing five material economic downturns/stress situations

Mr Mahadevan has been in the financial services industry for over 30 years, of which the last 26 years have been with the SCPLC Group where he has held various senior risk roles across Singapore, Hong Kong, Dubai, and Mumbai. Before joining the financial services industry, Mr Mahadevan worked for three years with Tata Motors, India

Mr Mahadevan led the Diversity and Inclusion ("D&I") initiative for the Global Risk function at SCB and was also a member of the SCB's Global D&I Council. He was also awarded the 'Leading Risk Practitioner' by the Asian Banker (2015) and conferred the 'IBF Fellow' (2016) by the Institute of Banking and Finance, Singapore. He goes in occasionally as a guest speaker at the Singapore Management University and 'Panelist / Keynote speaker' at various Conferences / Forums including "RiskMinds"; "Risk.net" and "GARP". He completed the Asian Financial Leaders Program in October 2023. He is also focused on up-tiering his skill sets on Digital Assets, Climate Risk and Information and Cyber Security.

Mr Mahadevan holds a degree in Electrical Engineering and a Post Graduate Diploma in Financial Management from Indian Institute of Management, Bangalore.

Mr Roger Gu Chenwei

Independent Non-Executive Director, Board Risk Committee Member

Mr Gu was appointed to the Board as an Independent Non-Executive Director on 24 July 2019.

Mr Gu is the Co-founder and President of Wacai, one of the largest independent mobile wealth management platforms in China, raising over USD300 million from world-class private equity firms including IDG Capital, China Development Bank Capital and Warburg Pincus.

Mr Gu has over 20 years of experience in retail financial services in the US, Europe (Capital One), Hong Kong (SCB) and China. He brings with him strong expertise in the areas of business analytics, risk management and entrepreneurship in fintech.

Mr Gu holds an M.S. in Electronic Engineering and Computer Science and is pursuing a Ph. D. in Computer Science at the University of North Carolina at Chapel Hill.

Ms Lily Low

Independent Non-Executive Director, Audit Committee Member

Ms Low was appointed to the Board as an Independent Non-Executive Director on 15 January 2020.

Ms Low has over 30 years of experience in technology, digital, renewable and financial services businesses across USA, European and Chinese companies. Ms Low has provided leadership in business strategy, finance and transformation, and capital fund-raising from global investors and financial institutions for privately owned companies and start-ups. She has also been a financial executive with a global US-based company and a C-suite executive of a global company with Chinese investors.

Mr Kevin Kwok Khien

Independent Non-Executive Director, Audit Committee Chair

Mr Kwok was appointed to the Board as an Independent Non-Executive Director on 1 March 2022.

Mr Kwok was a Senior Partner of Ernst & Young LLP in Singapore and headed the Assurance and Advisory Business Services in Singapore and ASEAN. He retired in 2012 after 35 years with the firm.

Mr Kwok currently holds independent directorships with Singapore Technologies Engineering Ltd and Sentosa Development Corporation.

Mr Kwok brings with him broad experience in auditing and mergers and acquisitions activities across various industries and jurisdictions, public listings and various fund-raising activities, together with expertise in corporate governance matters and accounting practices. He was also the Chairman of the Accounting Standards Council of Singapore from 2015 to 2020 and was also a member of the Governing Council of the Singapore Institute of Directors from 2011 to 2016.

Mr Kwok graduated from the University of Sheffield with Dual Honours in Economics and Accounting and Financial Management and qualified as a Chartered Accountant of the Institute of Chartered Accountants in England and Wales, having served his articleship with Ernst & Young LLP in London.

Ms Agnes Liew Yun Chong

Independent Non-Executive Director

Board Risk Committee Chair, Audit Committee Member

Ms Liew was appointed to the Board as an Independent Non-Executive Director on 1 March 2022.

Ms Liew was previously the founder and CEO of Oomph fitness, a boutique fitness studio. Prior to her physical fitness entrepreneurship, she was the Managing Director and Vice Chairman of Corporate Banking, Asia Pacific for Citigroup based in Hong Kong between 2010 to 2016 and then Singapore before she retired in 2017. She began her career with Citi in 1982 as a management associate and, in her 35 years with the firm, Ms Liew has held several key senior banking and risk positions, both at the country and regional levels within the Asia Pacific region.

Ms Liew was named by Finance Asia in 2011 as one of the Top 20 Women in Finance in Asia.

She holds an LL.B (Honours) from the National University of Singapore and is a member of the Supreme Court of Singapore.

Board Responsibility

The Board is primarily accountable to the shareholders to create value and ensure the long-term success of the SCBSL Group by focusing on the development of the right strategy, business model, risk appetite, management, succession plan and compensation framework. It has the overall responsibility for the operation and management of the SCBSL Group and proper conduct of its business. The Board is accountable for ensuring that, as a collective body, it has the appropriate skills, knowledge and experience to perform its role effectively. It provides leadership through oversight and review, and by providing guidance while setting the strategic direction for the SCBSL Group. The Board also has overall responsibility for putting in place a framework of good corporate governance, including the processes for financial reporting and compliance. Pursuant to the CG Regulations and an exemption granted by the MAS, the Board undertakes the responsibilities of Nominating Committee and Remuneration Committee.

The Board reviews and approves the appointment of the Directors, Company Secretary, CEO, Chief Financial Officer (the "CFO"), Chief Risk Officer (the "CRO"), Chief Information Officer and the Head of Treasury. The Board also reviews the resignation and removal of these key appointment holders, when applicable. As a wholly owned subsidiary of the SCPLC Group, the SCBSL Group's management structure is designed to leverage off the benefits of a global network, while maximising the SCPLC Group's franchise value locally. It delivers local focus on clients and customers and financial performance, whilst capturing the products, expertise and scale advantages of the SCPLC Group's global business and functions.

All Directors must act objectively in always discharging their duties and responsibilities and act in the interests of the SCBSL Group. The Board exercises due diligence and independent judgement in dealing with the business affairs of the SCBSL Group and works with the Management to take objective decisions in the interest of the SCBSL Group. Where a Director has a personal interest in a matter that may conflict with the Director's duties to the SCBSL Group, the Director is required to disclose the conflict, recuse himself/herself from the discussion of the matter and abstain from voting on the matter.

Role of the Board

The Board's key responsibilities include:

- (a) providing entrepreneurial leadership within a prudent framework and effective controls in which possible risk can be assessed and managed;
- (b) setting strategic objectives and risk appetite;
- (c) overseeing risk governance;
- (d) reviewing and monitoring Management's performance toward achieving the SCBSL Group's targets;
- (e) considering sustainability issues in formulating strategies; and
- (f) setting the SCBSL Group's values and standards to ensure a high level of professional conduct of the business with respect to internal and external dealings.

The Board's approval is also specifically required to:

- (a) review and approve the SCBSL Group's long-term strategy and objectives, including the fair dealing strategy;
- (b) approve the SCBSL Group's annual operating plan and capital expenditure budget;
- (c) oversee management of the business and affairs of the SCBSL Group in line with local regulatory/supervisory bodies and other relevant local authorities;
- (d) review the performance of the SCBSL Group in the light of its strategy, objectives, plans and budgets;
- (e) review risk profile, risk appetite and risk strategy;
- (f) approve any extension of the SCBSL Group's activities into new business or geographic areas or any decision to cease to operate all or any material part of the SCBSL Group's business;
- (g) approve related party transactions and the write-off of related party exposures;
- (h) review and approve matters that may impact the capital and liquidity positions of the SCBSL Group;
- (i) approve the annual audited accounts;
- (j) review a sound system of internal control and risk management, including reviewing the effectiveness of the SCBSL Group's risk and control processes to support its strategy and objectives, as well as corporate governance reports;
- (k) approve material acquisitions and disposals of business, assets or shares which are outside the ordinary course of business of the SCBSL Group and significant in terms of the business of the SCBSL Group;
- (l) review the structure, size and composition of the Board from time to time and make any changes deemed necessary;
- (m) review and approve the SCBSL Group's remuneration framework, including the remuneration of the Independent Non-Executive Directors;

- (n) approve the appointment and removal of designated senior officers of the SCBSL Group;
- (o) approve delegated authorities for expenditure, lending and other risk exposures;
- (p) review and approve the membership and terms of reference of Board committees;
- (q) review succession planning of the Board and develop a continuous training and development plan for Directors to ensure that they are equipped with the appropriate skills and knowledge to effectively perform their roles on the Board or Board committees;
- (r) implement a formal annual effectiveness review of its own performance, its Board committees and Directors to increase the overall effectiveness of the Board; and
- (s) determine the independence of Non-Executive Directors.

Board Committees

The Board has established a framework of delegated authorities to set out a clear structure for the sources of authority flowing from the Board to the Management committees and respective business and functions throughout the organisation. It covers specific authority and powers delegated to the Audit Committee (the "AC") and Board Risk Committee (the "BRC") to enable the Board to carry out its responsibilities in an effective manner.

The Board has delegated its authority to SCBSL's CEO with powers conferred in the executive committee Terms of Reference. The CEO, together with Management, oversees day-to-day management of all business and support functions of SCBSL.

Nominating Committee

As SCBSL is an indirect wholly owned subsidiary of SCB, it has been granted an exemption by the MAS to dispense with the requirement to constitute a Nominating Committee in which the Board accepts all responsibilities to perform the functions of the Nominating Committee. The Board has in its matters reserved the purview to select and appoint Directors and key Management.

Pursuant to the CG Guidelines, the Board has developed a framework for the selection and appointment of new Directors based on a set of broad principles:

- (a) the Board should have sufficient independence of mind to challenge the executives as well as an appropriate balance of skills, knowledge, diversity (this includes diversity of gender and perceptions) and experience relevant to the nature of the banking subsidiary's business;
- (b) more than half of the Board members should comprise independent Directors;
- (c) independent Directors will be interviewed by the Board Chairman, who will assess their suitability and whether their values and behaviours are aligned with the SCBSL Group's culture and values;
- (d) independent Directors should not serve longer than nine years. Where the Board considers the value and experience of an independent Director, who is serving his or her ninth year, outweighs the nine-year term requirement, reasons for an extended term must be clearly documented with a formal annual review prior to any further extended term;
- (e) in accordance with the SCBSL Group's policy, due diligence/screening checks must be completed prior to the appointment of any independent Director to ensure there is no undue risk posed to the SCPLC Group in relation to integrity, financial soundness, conflicts of interest, related party relationships with respect to the SCPLC Group's Hong Kong and London listings or local requirements in relation to related party transactions;
- (f) candidates must not have political appointments;
- (g) all Directors should have the capacity to devote sufficient time and commitment to attend all Board meetings and Board committee meetings, as well as engage in other SCBSL Group events;

- (h) the Board Chair, in conjunction with the CEO and independent Directors, will have periodic discussions to ensure the SCBSL Group maintains a diverse pool of talented leaders as prospective Directors from both within the SCPLC Group and externally as independent Directors. A key consideration for an appointment from within the SCPLC Group for SCPLC Group-appointed Non-Executive Directors will be the candidate's ability to bring broad knowledge of the SCPLC Group to the Board's deliberations and provide context, so that the independent Directors fully understand the SCPLC Group's strategic direction and key priorities;
- (i) where practical, all prospective Directors (including executive and the SCPLC Group Non-Executive Directors) should meet the current Directors prior to appointment;
- (j) robust succession plans must be maintained by the Company Secretary to ensure sound planning to avoid "bottlenecks" and ensure a balance of knowledge and skills as well as appropriate continuity. Exceeding the regulatory required number of independent Directors during a period of transition is acceptable or where a strong candidate has been identified prior to the expiry of the tenure of an outgoing Director;
- (k) a list of prospective independent Directors should be maintained by the Company Secretary and reviewed at least annually by the Board Chairman and CEO; and
- (l) all Directors must receive a tailor-made induction upon joining the Board or any Board committee and should regularly update and refresh their skills and knowledge.

When considering a candidate, the Board evaluates each recommended candidate in line with the MAS Guidelines on Fit and Proper Criteria (Guideline No: FSG-G01). The Board considers the results of litigation, bankruptcy and credit bureau searches, reviews academic and professional qualifications, employment history, probity, existing Directorships and the results of the fit and proper checks. The Directors' appointments are for a three-year term. As required under the CG Guidelines, all Directors should submit themselves for re-nomination and re-appointment at regular intervals and at least once every three years. SCBSL has procedures in place to ensure this criterion is being met before the term expires.

The Board also assesses whether a Director can and has been adequately carrying out his or her duties as a Director, particularly when there are multiple board representations, to consider the devotion of time to the SCBSL Group. The Board has not set the maximum number of listed company board representations each Director may hold, but rather, reviews members' contributions and commitment in carrying out their Board and Director duties in the annual Board effectiveness review.

Audit Committee

The AC is chaired by Mr Kevin Kwok and its members are Ms Agnes Liew and Ms Lily Low. They are all Independent Non-Executive Directors. All members of the AC have recent and relevant accounting or related financial management expertise or experience.

The primary responsibility of the AC is to provide support and assistance to the Board in ensuring that a high standard of corporate governance is always maintained. The AC has full access to all Management personnel and has full discretion to invite any Director and executive officer to attend its meetings. The external auditors have unrestricted access to the AC.

The AC in exercising the authority delegated to it by the Board is responsible for the following:

- (a) reviewing the significant financial reporting issues and judgements to ensure the integrity of the financial statements of the SCBSL Group and any announcements relating to the SCBSL Group's financial performance;
- (b) reviewing and reporting to the Board at least annually the adequacy and effectiveness of the SCBSL Group's internal controls, including financial, operational, compliance and information technology controls;
- (c) reviewing the effectiveness of the SCBSL Group's internal audit function;
- (d) reviewing the scope and results of the external audit, and the independence, objectivity and terms of engagement of the external auditors;

- (e) making recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;
- (f) reviewing reports from the Head of Conduct, Financial Crime and Compliance CFCC ("CFCC") on the arrangements established by Management for ensuring adherence to internal compliance policies and procedures and compliance with specific laws and regulations; and
- (g) reviewing and approving all material related party transactions.

In addition to the review of the SCBSL Group's financial statements, the AC reviews and evaluates, with the external auditors and internal auditors, the adequacy and effectiveness of the system of internal controls, including financial, operational, compliance and information technology controls, policies and systems. It reviews the scope and results of the audits, the cost effectiveness of the audits, and the independence and objectivity of the external auditors.

When the external auditors provide non-audit services to the SCBSL Group, the AC keeps the nature, extent and costs of such services under review. This is to balance the objectivity of the external auditors against their ability to provide value-for-money services. The AC members keep abreast of changes to accounting standards and issues which have a direct impact on financial statements. The AC also reviews significant financial reporting issues and judgements to ensure the integrity of the financial statements and announcements relating to financial performance.

The AC holds least four meetings in each financial year. The CEO, CFO, CRO, Country Technology and Operations Officer, Head of Internal Audit, Head of CFCC and external auditors are invited to attend all meetings. At the AC meetings, the AC reviews reports from Internal Audit, the external auditors, CFO and Head of CFCC. Separate sessions with internal and external auditors are also held at least once a year without the presence of Management to consider any matters which might be better raised privately. In addition, the Chairman of the AC meets the Head of Internal Audit on a regular basis to discuss the work undertaken, key findings and any other significant matters arising from the SCBSL Group's operations.

Board Risk Committee

The Board established the BRC in 25 September 2018. The BRC is chaired by Ms Agnes Liew, and its members are Mr Roger Gu and Mr Shivkumar Mahadevan. The BRC comprises two Independent Non-Executive Directors and a Non-Executive Director. All the BRC members are appropriately qualified to discharge their responsibilities and have the relevant technical financial expertise in risk disciplines and businesses.

The primary responsibility of the BRC is to exercise oversight on behalf of the Board on the overall risk appetite, risk management strategy and risk management frameworks; overseeing implementation thereof by Management; and acting as the risk committee of SCBSL in accordance with the regulations and policies as may be required by the regulator. The BRC also reviews and makes recommendations to the Board on the SCBSL Group's Risk Appetite Statement and Enterprise Risk Management Framework ("ERMF") (including implementation thereof). The BRC performs the functions specified in the Companies Act 1967, CG Guidelines and CG Regulations, and its key responsibilities include, but are not limited to, overseeing and advising the Board on all high-level risk-related matters. BRC responsibilities, powers and authorities are clearly defined in the BRC Terms of Reference. The BRC may invite any Director, executive, external auditor or other person to attend any meetings of the BRC as it may consider desirable to assist the BRC in the attainment of its objectives.

The BRC in exercising the authority delegated to it by the Board is responsible for the following:

- (a) to consider the SCBSL Group's overall risk appetite;
- (b) annually review the SCBSL Group's ERMF and make recommendations thereon to the Board for the approval of material changes to it;
- (c) provide oversight and challenge to the design and execution of stress and scenario testing;
- (d) review on behalf of the Board the SCBSL Group's internal capital adequacy assessment process and stress and scenario testing;

- (e) review reports to satisfy the supervisory requirements of regulators;
- (f) monitor the effectiveness and independence of the Chief Risk Officer and ensure that the Chief Risk Officer has direct access to the BRC Chairman; and
- (g) review reports on the management and effectiveness of anti-money laundering systems and controls (including Client Due Diligence); sanctions compliance, prevention/detection of bribery and corruption, financial crime risk assessment in accordance with the operational risk framework approach and authorities, and financial crime compliance matters generally.

In accordance with the Terms of Reference, the BRC shall meet at least four times each year. The CRO, Singapore and Cluster CRO, ASEAN Markets are invited to attend all the BRC meetings. At the BRC meetings, the BRC reviews and discusses reports and updates from various departments on all financial and non-financial risks, as prescribed in the ERMF, which the SCBSL Group is or may be exposed to, giving the opinion of the state of business and associated risks within its purview. The BRC Chairman reports to the Board on significant matters discussed at the BRC meeting and escalates issues as necessary for the Board's attention.

Management

The SCBSL Group is managed according to a matrix of functional and geographical responsibilities.

In 2021, the SCBSL Group completed the creation of the ASEAN Regional Hub and consolidated the banking subsidiaries in Malaysia, Vietnam and Thailand. In-country management teams in the banking subsidiaries continue to be accountable for approving and implementing business strategies for their country. Respective functional senior management on the Executive Committee ("EXCO") have responsibilities for approving and implementing business strategies, understanding the risks, setting acceptable level for those risks, ensuring that processes and controls are in place to identify, monitor and control those risks; and assessing and reviewing the organisational structure for effectiveness within the ASEAN Regional Hub.

The EXCO provides the unified leadership and ensure strong end-to-end governance all matters related to the SCBSL Group. In addition, the EXCO will promote collaboration on all matters and drive and execute business and governance agenda in the country, bringing alignment across the business and the functions so as to maximise and protect the value of the SCBSL Group.

The following table sets forth the senior management who are members of the EXCO as of the date of this Offering Memorandum.

Name	Responsibility
Mr Patrick Lee Fook Yau	CEO, Singapore and ASEAN
Mr Subhradeep Mohanty	CFO Singapore and Cluster CFO ASEAN and South Asia
Ms Michele Yap	CRO, Singapore and ASEAN
Mr William Ang	Chief Technology and Operations Officer, Singapore and ASEAN
Ms Wan Thonh Chow	Head, Coverage SG and ASEAN
Mr Andrew Chia	Head, Wealth and Retail Banking, Singapore, and ASEAN and South Asia
Mr Foo Tian Ong	Regional Head, Southeast Asia and Singapore Location Head, Global Private Banking
Ms Tanty Muliani	CCO Singapore and ASEAN
Mr Yang-Sheng Wong	Head, HR, Singapore and ASEAN

Mr Patrick Lee Fook Yau

CEO, Singapore and ASEAN

As CEO for Singapore and ASEAN, Patrick is responsible for steering and executing business development and strategy for the SCBSL in ASEAN, including Australia. These are key strategic markets for the SCB Group, and Singapore is home to the SCBSL's global businesses and Technology and Operations functions. He is also responsible for overall corporate governance, control environment, balance sheet structure and optimisation, profitability, liquidity, risk and is responsible for ensuring that practices and policies are consistently applied within Singapore and ASEAN markets.

Mr Subhradeep Mohanty

CFO Singapore and Cluster CFO ASEAN and South Asia

Subhradeep (Monty) is the CFO for Singapore and Cluster CFO for ASEAN and South Asia, a role he has assumed since July 2024. Monty has over 23 years of diverse experience with various financial institutions across Asia, USA, Africa and Middle East, and has successfully driven major growth and transformation outcomes across a range of businesses. He joined Standard Chartered Bank in 2014 and his other roles within the bank included Global CFO for the Retail Bank, Regional CFO for Africa and Middle East and CFO for India. Before Standard Chartered, Monty has worked with JP Morgan and American Express across USA and Asia. Monty has an MBA and a Bachelor's degree in Engineering.

Ms Michele Yap

CRO, Singapore and ASEAN

Ms Yap brings with her a broad range of experience, capabilities and skills spanning risk management, data and analytics, retail financial services and credit trading in both regional and global roles. Ms Yap is currently the CRO, Singapore and ASEAN. Prior to this, she was the Global Head of Enterprise Risk Data and Reporting for Standard Chartered, with responsibility for developing the data capabilities of the Risk function and delivering risk reports and insights to support risk management and drive better decisions. Ms Yap was previously the Head of Analytics Monetisation and Business Planning for the Retail Bank in ASEAN and South Asia. She has also held roles in Treasury, where she worked with the Financial Markets business on strategic initiatives relating to regulatory reform, and was the Head of Group Stress Testing, during which time she developed the SCBSL Group's first reverse stress test.

Ms Yap first joined the SCPLC Group in 2010 from Barclays Capital, where she was the Head of Portfolio Management in Asia-Pacific. Under her stewardship, the Asia-Pacific region consistently posted the highest risk-adjusted returns globally. Ms Yap began her career in New York, where she worked in investment banking and debt capital markets, before helping to set up the active Portfolio Management desk trading in credit derivatives, corporate bonds and loans.

Ms Yap is a CFA charterholder and was recognised as a Future Leader by the Institute of International Finance in 2014. She also holds an M.S. in Computational Finance, Carnegie Mellon University, Pittsburgh, PA, USA and B.A. in Economics with distinction, Cornell University, Ithaca, NY, USA.

Mr William Ang

Chief Technology and Operations Officer, Singapore and ASEAN

Mr Ang is the Chief Technology and Operations Officer ("**CTOO**") for SCBSL and ASEAN markets. As CTOO, Mr Ang provides technology and operational insights and leadership to the country and regional

management teams, contributes to the business strategy, manages change initiatives, and develops the future agenda, in alignment with SCBSL Group operations strategy, to deliver the right client outcomes.

He is responsible for maintaining the SCBSL Group's technology and operational capability, supporting activities across the business segments, in compliance with Singapore and SCBSL Group policies, regulations and industry practices.

Mr Ang plays a key role in risk management and governance for the country/region, ensuring oversight and driving enhancements in the control environment.

A Singaporean who has been with the SCPLC Group for over 20 years, Mr Ang has extensive experience and knowledge in Technology, Outsource Management, Audit, Financial Crime Compliance and Operations, having worked in the UK, Switzerland, Hong Kong, and Singapore.

Before assuming his current roles in 2022, he held various appointments with the SCPLC Group, including as Chief Operating Officer, at Group Internal Audit as well as at Consumer, Private and Business Banking, Hong Kong

Ms Wan Thonh Chow

Head, Coverage, Singapore and ASEAN

Wan Thonh is Head of Coverage for Singapore and ASEAN. In this role, she is responsible for overseeing client relationships and driving business growth by ensuring seamless delivery of the Bank's services, solutions and product offerings to its Corporate and Investment Banking clients.

Since joining Standard Chartered Bank in February 2019 as Head of Global Banking, Singapore, Wan Thonh soon assumed expanded responsibility for Client Coverage across ASEAN and South Asia. In February 2021, she was appointed Global Head, Global Industries Group, which includes Industry Coverage and M&A Advisory teams, to oversee the delivery of a full suite of strategic solutions to the Bank's clients in key sectors.

Wan Thonh has over 25 years of experience in the banking industry, holding a number of senior leadership roles in international banks across transaction banking, capital markets and strategic advisory for corporate and institutional clients. She joined Standard Chartered from HSBC, where she was Head of Global Banking, Singapore and Head of Corporates, Financials and Multinationals Banking for Southeast Asia since 2016. Prior to that, Wan Thonh had a 15-year career at Citibank where she held senior positions including Head of Financial Institutions and Head of Sales for Transaction Banking Services.

Based in Singapore, Wan Thonh is a member of the Client Coverage Management Team. She is also Chairperson of the Board of Directors of Standard Chartered Bank (Thai) PCL. She is a Singaporean and holds a Bachelor's degree in business administration from the National University of Singapore.

Mr Andrew Chia

Head, Wealth and Retail Banking, Singapore, ASEAN and South Asia

With a career spanning 30 years in the financial services industry, Andrew has held various roles across both local and International Banks both in Singapore and Asia.

Andrew began his career at DBS as Corporate Dealer before joining Citibank where he has held various wealth management positions spanning across investment, treasury, insurance and retail products.

He joined Standard Chartered Bank in 2010 as the Regional Head of Wealth Management, Singapore and Southeast Asia and has also held a variety of senior management positions such as the Global Head, Managed Investments where he oversaw the global strategy.

Andrew has also held various roles across Asia such as the Head of Retail Banking, Taiwan and subsequently Singapore. He also served as the CEO of Standard Chartered Bank Indonesia, helping to navigate the franchise during the pandemic times.

Andrew's is currently the Head, Wealth and Retail Banking, Singapore, ASEAN and South Asia where he was recently appointed in April 2024. His current responsibilities include the managing and development of the Singapore franchise whilst overseeing 8 other markets across the region.

Andrew graduated with a Bachelor's Degree in Business (Honours) from Nanyang Technological University and holds a Master of Business Administration in Finance (Distinction) from Leeds University. His interest include soccer, tennis and music.

Mr Foo Tian Ong

Regional Head, Southeast Asia and Singapore Location Head, Global Private Banking

Mr Ong joined the SCPLC Group as Regional Head, Southeast Asia and Singapore Location Head, Private Bank in December 2023. He is a veteran private banker in this region with over two decades of private banking experience, and joins the SCPLC Group from UBS where he was most recently Business Sector Head for Thailand and the Philippines and was also responsible for NRI and Vietnam. Before UBS, Mr Ong honed his banking career in corporate banking, institutional equities sales and research at leading financial institutions, with a special focus on the Thai market. With his wealth of experience, he is well-placed to lead the regional team and grow the private banking business further. Mr Ong holds a Master of Business Administration in Banking and Finance.

Ms Tanty Muliani

CCO Singapore and ASEAN

Ms Muliani is the Chief Compliance Officer ("CCO") for Standard Chartered Bank in Singapore and ASEAN. In this role, Ms Muliani has the overall responsibilities for regulatory and compliance matters (including financial crime and conduct), across all businesses and functions. She is also responsible for driving the function's agenda and provide thought leadership across the ASEAN markets. Ms Muliani also plays a pivotal role in risk management and governance, ensuring oversight and driving enhancements in the control agenda, so as to deliver the right client outcomes. A seasoned practitioner in regulations, compliance and governance, Ms Muliani has more than 20 years of compliance experience in the financial industry. She joined Standard Chartered in 2013 and had taken on various leadership positions including Head of Regulatory Compliance (Singapore), Regional Head of CFCC (Conduct, Financial Crime and Compliance) Governance (ASEAN and South Asia) and subsequently, Executive Director of CFCC (Conduct, Financial Crime and Compliance) for Consumer, Private and Business Banking Advisory.

Mr Yang-Sheng Wong

Head, HR, Singapore and ASEAN

Mr Wong is an HR leader with over 18 years of experience. As a Head of HR he is responsible for overseeing all people related matters across the region. This includes compensation and benefits, talent acquisition, Employer Value Proposition, talent management, training, governance, regulators, and operational risk. He continues to advise C-suite leaders globally and regionally on their people challenges, translating strategy to people agendas, org designs and operating models. He was previously the Chief of Staff to the Group HR COO of DBS where he managed HR Data, AI, RPA, strategic projects and Group-wide HR communications. An experienced HR consultant, he spent nine years in the US and Southeast Asia where he served 20+ Fortune 500 Healthcare, Life Sciences, Manufacturing, and Oil and Gas companies.

Remuneration

Developing Remuneration Policies

SCBSL has been granted with an exemption from the MAS on the requirement to set up a Remuneration Committee (the "RemCo") pursuant to Regulation 39, Part IV of the CG Regulations on the basis that its employees, including Directors and executive officers, are subject to the remuneration framework and processes of the SCPLC Group which are overseen by the SCPLC Group Remuneration Committee (the "SCPLC Group RemCo").

The SCPLC Group RemCo comprises independent non-executive directors, and it reviews and is responsible for setting the principles, parameters and governance framework of the SCPLC Group and its subsidiaries' remuneration approach and overseeing its implementation. SCBSL's Board annually reviews the remuneration framework to ensure that it aligns with the CG Regulations and the CG Guidelines.

Remuneration Framework

The remuneration approach for the SCBSL Group is consistent with the approach of the SCPLC Group and is aligned to remuneration regulations in Singapore and in the UK where the SCPLC Group is headquartered. The SCBSL Group's remuneration approach is designed to reward colleagues for the progress made on the execution of the SCBSL Group's strategy and appropriately incentivise employees to deliver strong performance over the long-term whilst avoiding excessive and unnecessary risk-taking and promote sound and effective risk management through appropriate remuneration structures.

Employees typically receive salary, pension and other benefits, and are eligible to be considered for variable remuneration driven by SCBSL Group, business area and individual performance.

The following table provides an overview of the key remuneration elements for the SCPLC Group:

Salary	- Salaries reflect the skills and experience of the individual and are reviewed annually against market information and in the context of the annual performance assessment and affordability. - Increases may occur where there is a role change, increased responsibility or to ensure market competitiveness.
Variable Remuneration	- Employees may be eligible to participate in one of the discretionary incentive arrangements (also known as variable remuneration) which the SCPLC Group has in place. Performance considerations: Individual incentives are determined with reference to SCPLC Group, business area (where applicable) and individual performance considering both what they have achieved and their demonstration of our valued behaviours. - When determining levels of variable remuneration, the SCPLC Group considers the overall level of performance and risk events in the year. - The variable remuneration of employees in the Audit, Risk and Compliance functions is set independently of the business they oversee. Forms and structure of award: Discretionary variable remuneration is delivered in the form of an annual incentive award and, for eligible employees, a Long-Term Incentive Plan (LTIP) award. - Annual incentives are delivered in the form of cash, shares and/or other forms of awards that is consistent with risk alignment. - Typically awarded to senior management, LTIP awards are delivered in shares and subject to long-term performance measures. - The proportion of variable to fixed remuneration is carefully monitored to ensure compliance with regulatory requirements.

To support the attraction, retention and motivation of a diverse, future-ready workforce to deliver on purpose, long-term strategy and shareholder returns, the SCPLC Group RemCo developed the Fair Pay Charter which sets out the principles it uses to make remuneration decisions that are fair, transparent and competitive in order to support the embedding of a performance-oriented, inclusive and innovative culture and in delivering a differentiated employee experience.

The Fair Pay Charter principles are set out below:

- (a) **Equal pay** – the SCPLC Group offers equal pay for equal work by market and does not tolerate unlawful discrimination
- (b) **Purpose-led** – the SCPLC Group provides a holistic set of reward and benefits in line with its valued behaviours and standards
- (c) **Competitive opportunities** – the SCPLC Group is committed to paying employees competitively
- (d) **Performance-driven** – the SCPLC Group values sustainable high-performance and motivate, recognise, and reward the behaviours and outcomes that support this

Governance and Oversight

The SCPLC Group RemCo is responsible for setting the governance framework for remuneration for all employees, ensuring alignment with the SCPLC Group culture and the requirements of the UK Corporate Governance Code and any other relevant regulations.

Key responsibilities of the SCPLC Group RemCo include:

- (a) overseeing the SCPLC Group's Fair Pay Charter, including the development and implementation of workforce remuneration policies and practices that are consistent with sound and effective risk management to support the SCPLC Group's strategic priorities and enable long-term sustainable success;
- (b) approving the SCPLC Group's discretionary remuneration, including the adjustment for risk, control and conduct for current and future risks, the SCPLC Group's performance and capital position; and
- (c) together with the Board of the SCPLC Group, determining and agreeing the remuneration framework and policies for the SCPLC Group Chairman, Executive Directors and other senior executives, using the Fair Pay Charter Principles, taking into account wider workforce remuneration, and ensuring the alignment of reward with culture and conduct.

The SPLCC Group RemCo is assisted in its considerations by a remuneration adviser, who provides independent advice relating to executive directors' remuneration and regulatory matters. In line with the SPLCC Group RemCo's practice of undertaking a detailed review of potential advisers every three to four years, Deloitte LLP was appointed in 2025 as the new independent adviser to the SPLCC Group RemCo. In its capacity as adviser, Deloitte will provide support on a wide range of remuneration advisory matters and provide insights on market trends and regulatory developments. As a founding member of the Remuneration Consultants Group (RCG), Deloitte voluntarily operates under its Code of Conduct in relation to executive remuneration matters in the UK, ensuring independence and adherence to best practice and ethical standards. The SPLCC Group RemCo considered Deloitte's role as an adviser to the SCPLC Group and determined that there was no conflict or potential conflict arising. The SPLCC Group RemCo is satisfied that the advice received by the SPLCC Group RemCo for 2025 was objective and independent.

Alignment to Conduct, Risk Management and Remuneration Regulations

The SCBSL Group's remuneration approach includes a robust risk adjustment framework, designed to promote sound risk management by aligning employee incentives with the longer-term interests of the SCPLC Group, reflecting both intrinsic risks inherent in business activities and the crystallisation of specific risk events.

Involvement of the Control Functions

To ensure that variable remuneration decisions take into account current and future risks and the cost and quantity of capital and liquidity:

- (a) the SCPLC Group CRO and SCPLC Group CFO provide the SCPLC Group RemCo with updates on risk and finance matters at each meeting; and

- (b) the SCPLC Group Reward Plan Committee, which includes senior representatives in Finance, Human Resources and Risk, provides a recommendation to the SCPLC Group RemCo for discretionary incentives that include the consideration of current and future risks

Remuneration of Independent Non-Executive Directors

The Board recommends the remuneration for the Independent Non-Executive Directors of SCBSL.

The following table sets out the remuneration of each Independent Non-Executive Director of SCBSL for 2025.

<u>Name</u>	<u>Basic Fee (SGD)</u>	<u>AC Chairman</u>	<u>AC and Board Risk Member</u>	<u>Total (SGD)</u>
Mr Roger Gu Chenwei	95,000	-	50,000	145,000
Ms Lily Low	95,000	-	50,000	145,000
Mr Kevin Kwok Khien	95,000	80,000	-	175,000
Ms Agnes Liew Yun Chong	95,000	80,000	50,000	225,000

Remuneration of Non-Independent Non-Executive Directors, Executive Directors and Key Executives

In the financial year ended 31 December 2025, the total remuneration of the Board was S\$7,456,000, comprising short term employee benefits of S\$6,185,000, share-based compensation benefits of S\$1,238,000 and contribution to defined contribution plan of S\$33,000.

The Board is of the view that given the sensitive and confidential nature of employee remuneration, detailed disclosures of the SCBSL Group's Non-Independent Non-Executive Directors, Executive Directors and top key executives is not in the best interests of the SCBSL Group. Such disclosures would put the SCBSL Group at a disadvantage in relation to its competitors, and may adversely impact the cohesion and spirit of teamwork prevailing among the SCBSL Group's employees.

REGULATION AND SUPERVISION

Regulation and Supervision in Singapore

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 and guidelines issued by the MAS from time to time.

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, the 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

Domestic Systemically Important Banks

The framework for D-SIBs is set out in the MAS' monograph on the MAS' Framework for Impact and Risk Assessment of Financial Institutions (revised in March 2024), and is aligned with the principles set out by the Basel Committee for determining banks that are of domestic systemic importance. D-SIBs are, *inter alia*, subject to more intensive supervision by the MAS, and liquidity coverage ratio ("LCR") and higher loss absorbency requirements, than banks which are not so designated. The applicable capital and liquidity requirements are incorporated under MAS Notice 637 and MAS Notice 649.

SCB was designated as a D-SIB by the MAS on 30 April 2015. The designation of a D-SIB is on a country-level basis, such that in the case of foreign banks, it includes all related banking entities in Singapore that are within the scope of assessment. SCBSL is an indirect wholly owned subsidiary of SCB and is considered a D-SIB.

Capital Adequacy Ratios ("CAR")

The SCBSL Group is required to comply with MAS Notice 637 which implements the Basel III capital standards for Singapore-incorporated banks. The Notice sets out the capital adequacy ratio requirements and the range of approaches that banks could adopt, based on the complexity and sophistication of their businesses and operations, for calculating its RWA. MAS Notice 637 also sets out the expectations of the MAS in respect of the internal capital adequacy assessment process, the disclosure requirements in relation to capital adequacy and leverage ratio, and the submission and disclosure requirements for assessing Singapore-incorporated banks.

Pursuant to MAS Notice 637, the MAS imposes CAR requirements on a Singapore-incorporated bank at two levels:

- (a) the bank standalone ("**Solo**") level CAR 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 CAR 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(I) (collectively called banking group entities), taking into account any exclusions of certain banking group entities or any adjustments pursuant to securitisation required under MAS Notice 637. Where a Singapore-incorporated bank issues covered bonds (as defined in MAS Notice 648), the bank must continue to hold capital against its exposures in respect of the assets included in a cover pool (as defined in MAS Notice 648) in accordance with MAS Notice 637. In the case where covered bonds are issued via a special purpose entity or where the cover pool is held by a special purpose entity, the bank and the special purpose entity will be treated as a single entity for the purposes of MAS Notice 637.

Under MAS Notice 637, Singapore-incorporated banks which are designated by the MAS as D-SIBs are required to comply with a minimum Common Equity Tier 1 ("**CET1**") CAR of 6.5%, Tier 1 CAR of 8% and Total CAR of 10%. These minimum ratios are two percentage points higher than those established by the Basel Committee, and are aimed to reduce the probability of failure of D-SIBs by increasing their going-concern loss absorbency. In addition, Singapore-incorporated banks are required to maintain a capital conservation buffer of 2.5% and a countercyclical buffer of up to 2.5%, both to be met fully with CET1 capital.

The countercyclical buffer is not an ongoing requirement and is only applied as and when specified by the relevant banking supervisors. The applicable magnitude is the weighted average of the jurisdiction-specific countercyclical buffer requirements that are required by authorities in jurisdictions to which a bank has private sector credit exposures. The Basel Committee expects jurisdictions to implement the countercyclical buffer during periods of excessive credit growth.

The minimum CAR requirements based on MAS Notice 637 have been fully phased in from 1 January 2019 and are summarised in the table below.

	From 1 January 2019 and beyond
Minimum CAR (%)	
CET1 (a)	6.5
CCB (b).....	2.5
CET1 including CCB (a) + (b)	9.0
Tier 1 including CCB	10.5
Total including CCB	12.5
Maximum Countercyclical Buffer.....	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.

With effect from 1 January 2023, MAS Notice 637 was amended to: (a) implement the revised Pillar 3 disclosure requirements for IRRBB published by the Basel Committee; (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.

With effect from 1 July 2024, MAS Notice 637 was revised to implement the final Basel III reforms in Singapore. The revised MAS Notice 637 sets out revised standards on (a) operational risk capital and leverage ratio requirements; (b) credit risk capital and output floor requirements; (c) market risk capital and capital reporting requirements; and (d) public disclosure requirements. Under the revised MAS Notice 637, all standards other than the revised market risk and credit valuation adjustment ("**CVA**") standards took effect from 1 July 2024. The revised market risk and CVA standards (a) for compliance with supervisory reporting requirements took effect from 1 July 2024, and (b) for compliance with capital adequacy and disclosure requirements took effect from 1 January 2025. The output floor transitional arrangement has

commenced at 50% from 1 July 2024 and will reach full phase-in at 72.5% from 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;
- 72.5% with effect from 1 January 2029.

On 25 November 2024, MAS issued MAS Notice 637 (Amendment) 2024 to (a) clarify the recognition of industrial properties as collateral under the standardised approach to credit risk and foundation internal ratings-based approach, for instances where the bank holds a junior charge and where all the senior charges ranking above the junior charge in question are held by the bank or Jurong Town Corporation; (b) provide clarification on interpretation issues consistent with the Frequently Asked Questions published by the Basel Committee on Banking Supervision in July 2024; and (c) implement various other technical revisions. The amendments took effect from 1 January 2025, except for certain specified amendments which took effect from 31 December 2024.

On 9 October 2025, MAS issued a revised version of MAS Notice 637 which (i) incorporates the Basel Committee on Banking Supervision's revised methodology used to calculate interest rates shocks in the IRRBB standard and updates the IRRBB standardised interest rate shock scenarios based on the revised methodology; (ii) revises the minimum requirements for Additional Tier 1 and Tier 2 capital instruments to disqualify those which are issued to retail investors in Singapore as regulatory capital; and (iii) enhances the clarity of the computation of the capital conservation buffer and countercyclical buffer, and recognition of credit risk mitigation under synthetic securitisations. These amendments have taken effect from 1 January 2026, except for the amendments to Annex 10C which took effect from 31 December 2025.

Other Key Prudential Provisions

Liquidity Standards

MAS Notice 649 implements the Basel III LCR rules and sets out the Minimum Liquid Assets ("**MLA**") framework and Liquidity Coverage Ratio ("**LCR**") framework. Under MAS Notice 649, a D-SIB that is incorporated in Singapore and whose head office or parent bank is incorporated in Singapore or an internationally active bank (as defined in MAS Notice 649) (a "**Relevant Bank**") must maintain at all times, a Singapore Dollar LCR requirement of at least 100% and an all-currency LCR requirement of at least 100%. In all other cases, a D-SIB must maintain at all times, a Singapore Dollar LCR requirement of at least 100% and an all-currency LCR requirement of at least 50%. A Relevant Bank is required to comply with the LCR requirements on a consolidated level, which consolidates the assets and liabilities of its banking group entities, other than those of (i) an insurance subsidiary (as defined in MAS Notice 649) and (ii) any other entity, where such non-consolidation of assets and liabilities of the entity is expressly permitted under the Accounting Standards (the "**Excluded Entities**").

MAS Notice 652 implements the Basel Committee's standards on the Basel III Liquidity Rules – Net Stable Funding Ratio ("**NSFR**") and sets out the NSFR to be maintained. A Relevant Bank must maintain a consolidated all-currency Group NSFR of at least 100% at all times on a consolidated level. In the case of a D-SIB that does not fall within scope of a Relevant Bank described above, it must maintain (i) an all-currency NSFR of at least 50% at the entity level (if it has not obtained the approval of the MAS pursuant to paragraph 6 of MAS Notice 649 to comply with the requirements set out in that notice on a country-level group basis) or (ii) an all-currency NSFR of at least 50% at the country-level group basis (if it has obtained the approval of the MAS pursuant to paragraph 6 of MAS Notice 649 to comply with the requirements set out in that notice on a country-level group basis).

MAS Notice 651 and MAS Notice 653 implement disclosure requirements for Relevant Banks that are consistent with the Basel Committee's revised standards on Pillar 3 disclosures under the Basel III framework. In particular, MAS Notice 651 sets out requirements for a Relevant Bank to disclose

quantitative and qualitative information about its LCR and also sets out additional requirements on disclosure of quantitative and qualitative information that the bank is required to make. MAS Notice 653 sets out requirements for a Relevant Bank to disclose quantitative and qualitative information about its NSFR on a consolidated level, which consolidates the assets and liabilities of all its banking group entities, other than those of the Excluded Entities.

On 27 March 2025, MAS issued a consultation paper on “Prudential Treatment of Cryptoasset Exposures and Requirements for Additional Tier 1 and Tier 2 Capital Instruments for Banks” proposing amendments to the standards relating to the regulatory framework for capital and large exposures for Singapore-incorporated banks, and the regulatory framework for liquidity for banks in Singapore as set out in MAS Notices 637, 649, 651, 652, 653 and 656. The proposed amendments are aimed at implementing the standards relating to the prudential treatment and disclosure of cryptoasset exposures published by the Basel Committee on Banking Supervision. On 9 October 2025, MAS published the response paper stating that due to feedback received from the industry, it will defer the implementation of the prudential treatment and disclosures of cryptoasset exposures to 1 January 2027 or later and will provide updates on the final cryptoasset standards and implementation date in due course. However, in the interim, from now up till the implementation date of the cryptoasset standards, MAS will require banks with cryptoasset exposures or intending to take on cryptoasset exposures to notify and engage MAS on the appropriate prudential treatment for their cryptoasset exposures.

In addition, the MAS has on 29 August 2025 published a consultation paper “Consultation Paper on Guidelines on Liquidity Risk Management (Banks)” proposing to issue an updated set of Guidelines on Liquidity Risk Management for banks, merchant banks and finance companies in Singapore. The proposed guidelines will build on the Guidelines on Risk Management Practices – Liquidity Risks which were issued in 2013 and applies to all financial institutions in Singapore, and will provide greater clarity on MAS’ supervisory expectations on the management of liquidity risk by banks. The guidelines will apply on a group-basis for locally incorporated banks. The extent and degree to which a bank adopts the principles set out in the guidelines should be commensurate with the nature, size and complexity of its activities. MAS has proposed that these guidelines will come into effect six months after the final guidelines are published.

Maintenance of Cash

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 (“**MCB**”) with the MAS of at least an average of 3% 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.

Credit Losses and Provisioning

MAS Notice 612 on Credit Files, Grading and Provisioning addresses the recognition and measurement of allowance for credit losses introduced in FRS 109. Banks are required to measure and recognise loss allowances for expected credit losses (“**ECL**”) in accordance with the requirements of FRS 109. In addition, Singapore-incorporated banks which are designated by the MAS as D-SIBs are required to maintain the Minimum Regulatory Loss Allowance (“**MRLA**”) of at least 1% of the gross carrying amount of selected credit exposures net of collaterals. For periods when Stage 1 and 2 ECL fall below MRLA, the shortfall is appropriated from retained earnings in the shareholders’ funds into a non-distributable Regulatory Loss Allowance Reserve account.

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.

Exposure limits

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 which, among other things, tightened 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 SCBSL 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 1 July 2024, MAS Notice 656 was amended to implement consequential amendments arising from the issuance of the revised MAS Notice 637 which implements the final Basel III reforms.

On 15 July 2025, MAS issued a Consultation Paper on Proposed Amendments to Regulatory Framework for Large Exposures of Singapore-incorporated Merchant Banks and Singapore-incorporated Banks proposing amendments to MAS Notice 656 to refine the scope of exposures to related corporations, to more adequately address contagion risk arising from exposures to related counterparties which are not subject to minimum prudential standards, while taking into consideration the operating structures of Singapore-incorporated banks. Under the proposed amendments, a Singapore-incorporated bank's exposures to its holding company would be exempted from the large exposures limit only where the holding company is a bank, or is part of a group subject to minimum prudential standards (including risk-based capital standards and liquidity standards) and supervision on a consolidated basis by a bank regulatory agency. Exposures to other types of holding companies would need to comply with the large exposure limits. Further, a Singapore-incorporated bank's exposures to a bank or merchant bank subsidiary of its holding company would be exempted only where the holding company fulfils the same condition.

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.

The MAS has issued MAS Notice 643 on Transactions with Related Parties ("**MAS Notice 643**") pursuant to the new Section 29A(1) of the Banking Act. MAS Notice 643, which took effect on 1 July 2021, sets out

requirements relating to transactions of banks in Singapore with related parties and the responsibilities of banks in relation to transactions of branches or entities in the bank's group with related parties, which seek to minimise the risk of abuse arising from conflicts of interest in such transactions.

In addition, MAS has issued MAS Notice 643A on Exposures and Credit Facilities to Related Concerns (“**MAS Notice 643A**”) which sets out requirements on banks for preparing statements of exposures and credit facilities to related concerns, and this includes related parties of the bank in Singapore.

On 14 October 2025, MAS issued a Consultation Paper on Proposed Amendments to Related Party Transaction Requirements for Banks proposing amendments to MAS Notice 643, MAS Notice 643A and MAS Notice 656 to enhance oversight of related party transactions of banks, to address the risk of conflicts of interest, and for alignment with international best practices. In particular, MAS is proposing to update the definition of related parties to include (a) persons who can exert influence over executive officers and directors, supplementing current rules that cover entities under these officers’ influence; and (b) indirect controllers (and their affiliates and family members) to capture persons with influence over the bank beyond interest in shares and control of voting rights. In addition, MAS is proposing to refine the scope of intragroup transactions excluded from the related party transaction governance requirements that are currently set out in MAS Notice 643, and to rationalise the related party transaction requirements across the notices by incorporating the existing related party group exposure limits set out in MAS Notice 656 into MAS Notice 643, and to impose exposure limits on additional related party groups in MAS Notice 643. MAS is aiming for the proposed amendments to MAS Notices 643, 643A and 656 to be effective from 30 November 2026, or at least six months from the issuance of MAS Notice 643, whichever is later.

Anti-Commingling Framework

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).

This reflects the anti-commingling policy of the MAS which is intended to ensure that banks remain focused on their core banking business and competencies, and avoid potential contagion from the conduct of non-financial businesses. In 2011, the anti-commingling policy was fine-tuned through the introduction of regulation 23G of the Banking Regulations which gives banks flexibility to carry on businesses that are related or complementary to their core financial businesses.

On 1 July 2021, the anti-commingling framework was further enhanced to streamline the conditions and requirements under regulation 23G of the Banking Regulations 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 to allow 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. As part of the enhancements, 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.

Major stake and investment restrictions

A bank incorporated in Singapore cannot hold or acquire, directly or indirectly, a major stake in any entity (including unincorporated bodies) without first obtaining the approval of the MAS (Section 32 of the Banking Act). A "major stake" means:

- (a) 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 by the MAS;
- (b) control of over more than 10% of the voting power or such other measure corresponding to voting power in a company as may be prescribed by the MAS; or
- (c) 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.

A bank incorporated 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 in the ordinary course of the bank's business 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. 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 manager in relation to an offer of securities issued by the company will not be subject to the restrictions on equity investment described above.

No bank incorporated in Singapore shall hold or acquire, directly or through a subsidiary of the bank or any other company in the banking 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 SCBSL 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).

Provisions relating to issuance of covered bonds

With effect from 31 December 2013, Singapore-incorporated banks are permitted to issue covered bonds subject to conditions under MAS Notice 648. The aggregate value of assets in the cover pools for all covered bonds issued by the bank and special purpose vehicles on behalf of the bank, and residential mortgage loans and assets eligible for inclusion in cover pools (but which have not been included) and which are transferred to the special purpose vehicles, must not exceed 10% of the value of the total assets of the bank at all times.

Corporate Governance Regulations and Guidelines

The Banking (CG) 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, Risk Management Committee and Board Executive Committee.

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") comprise the Code of Corporate Governance 2012 for companies listed on the SGX-ST and supplementary principles and guidelines from the MAS, to take into account the unique characteristics of the business of banking and insurance, given the diverse and complex risks undertaken by these financial institutions and their responsibilities to depositors and policyholders. For example, the 2013 Guidelines 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 Code of Corporate Governance 2012 was revised on 6 August 2018. The revised Code of Corporate Governance 2018 sets out, *inter alia*, the principles that there should be a clear division of responsibilities between the leadership of the board of directors and the management of the company, and no one individual has unfettered powers of decision making, and that there is 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. In addition, the Code of Corporate Governance 2018 sets the shareholding threshold in determining a director's independence at 5%, to align with the definition of "substantial shareholders" in the SFA. The Code of Corporate Governance 2018 also requires the separation of the roles of Chairman and CEO.

The Code of Corporate Governance 2018 was 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. 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 and other customers. The guidelines that relate to disclosures are effective from 1 January 2022 and will apply to the annual reports covering financial years commencing from that date, with the bulk of the other guidelines becoming effective from 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) 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
- (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.

The MAS has also issued MAS Notice 643 under the Banking Act to set out requirements relating to related party transactions of banks in Singapore and the responsibilities of banks in Singapore in relation to related party transactions of branches or entities in their bank groups. Under MAS Notice 643:

- (a) a bank in Singapore is 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 the banks' related party transactions; and

- (b) a bank in Singapore is required to establish, implement, and periodically review policies and procedures, and ensure that each branch and entity in its bank group establishes, implements, and periodically reviews policies and procedures, on related party transactions ("**RPT PP**").

The MAS has also issued MAS Notice 643A under the Banking Act to set out reporting requirements for related party transactions. Under MAS Notice 643A, a bank in Singapore is required to, on a quarterly basis, prepare for review by the board and the MAS (i) a statement of exposures and credit facilities provided to related party groups, and (ii) a statement on related party transactions that are exceptions to or do not comply with the bank's RPT PP, that exceed the bank's aggregate or granular materiality threshold and which require the approval of the bank and a branch or entity in its bank group (as the case may be), and that are write-offs.

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, 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 Act 1970 of Singapore ("**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 licence.

Priority of liabilities in winding up

In the event of the winding up of a bank, Section 62 of the Banking Act provides that the following liabilities in Singapore of the bank shall, amongst themselves, rank in the following order of priority:

- (a) *firstly*, any premium contributions due and payable by the bank under the Deposit Insurance and Policy Owners' Protection Schemes Act;
- (b) *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;
- (c) *thirdly*, deposit liabilities incurred by the bank with non-bank customers, other than those specified in paragraph (b) above which are incurred (i) in Singapore dollars; or (ii) on terms under which the deposit liabilities may be discharged by the bank in Singapore dollars;
- (d) *fourthly*, deposit liabilities incurred by the bank with non-bank customers other than liabilities referred to in paragraphs (b) and (c) above; and
- (e) *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 liabilities of the same class referred to in each of the paragraphs (a) to (e) above, such liabilities shall rank equally between themselves. The liabilities specified above shall have priority over all unsecured liabilities of the bank other than the preferential debts specified in Section 203 of the IRDA.

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.

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 further from S\$50,000 to S\$75,000.

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 further 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.

Resolution Powers

Under the resolution regime for financial institutions in Singapore, the MAS has resolution powers in respect of Singapore licensed banks. These resolution powers are set out in Parts 7 and 8 of the FSM Act as well as the Financial Services and Markets (Resolution of Financial Institutions) Regulations 2024 (the "**RFI Regulations**"). Broadly speaking, the MAS has powers to (a) impose moratoriums; (b) apply for court orders against winding-up or judicial management of the bank, against commencement or continuance

of proceedings by or against the bank in respect of any business of the bank, against commencement or continuance of an enforcement order, distress or other legal processes against any property of the bank, or against enforcement of security; (c) apply to court for the winding-up of the bank; (d) order compulsory transfers of business or shares; (e) order compulsory restructurings of share capital; (f) bail-in eligible instruments; (g) temporarily stay termination rights of counterparties; (h) impose requirements relating to recovery and resolution planning and (i) give directions to significant associated entities of the bank. In addition, the MAS has powers under the Banking Act to assume control of a bank if MAS is of the opinion that the bank is unable to meet its obligations or is conducting business to the detriment of depositors.

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, which means that equity holders will absorb losses before holders of Additional Tier 1 and Tier 2 capital instruments. 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 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.

Statutory Bail-in

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, Singapore-incorporated bank holding companies, Singapore-incorporated insurers and Singapore-incorporated insurer 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 RFI Regulations. For Singapore-incorporated banks and Singapore-incorporated bank holding companies, the classes of instruments subject to the bail-in 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:

- (a) 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;
- (b) 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
- (c) 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 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. In addition, unless granted an extension of time by MAS, the bank must prior to any issuance of an eligible instrument, also provide MAS with a legal opinion from a person qualified to practice law in the jurisdiction of the governing law of the contract, as to the enforceability of the contractual recognition provisions.

Temporary Stay of Termination Rights

MAS also has the power to temporarily stay termination rights of counterparties under Section 93 of the FSM Act. Contracts which are subject to such powers include contracts where one of the parties is a pertinent financial institution (as defined in regulation 5 of the RFI Regulations) that is the subject or a proposed subject of a resolution measure. Any entity that is part of the same group of a pertinent financial institution is also caught to the extent the obligations of that entity under the relevant contract are guaranteed or otherwise supported by such pertinent financial institution and such contract has a termination right that is exercisable if the pertinent financial institution becomes insolvent or is in a certain financial condition. SCBSL qualifies as a pertinent financial institution.

The MAS also has the power to subject a bank to recovery and resolution planning requirements by issuing a direction under Section 52 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 and 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.

In addition, as provided, under regulation 33 of the RFI Regulations, a "qualifying pertinent financial institution" and its subsidiaries must include enforceable provisions in their financial contracts governed by foreign laws which contain termination rights the exercise of which may be suspended or the

applicability of which may be disregarded under the FSM Act if the financial contracts had been governed by Singapore law (each, a "**specified contract**"). A "qualifying pertinent financial institution" is defined as a bank that is incorporated in Singapore and to which a direction had been issued under section 52(1) of the FSM Act (concerning directions for recovery planning and implementation). The effect of the provisions is to have all parties to the specified contract agree that their exercise of termination rights will be subject to MAS' powers under sections 92 and 93 of the FSM Act. The contractual recognition requirement will apply where the qualifying pertinent financial institution or subsidiary enters into the specified contract on or after 1 November 2024 or where the qualifying pertinent financial institution or subsidiary executes any transaction under the specified contract on or after 1 November 2024.

The MAS has stated that having provisions in the specified contract expressly recognising MAS' authority to temporarily stay termination rights under Section 93 of the FSM Act provides greater legal certainty and serves to support an orderly resolution. The contractual recognition requirement also ensures that the parties to the contract agree to be bound by Section 92 of the FSM Act, such that any resolution action taken by MAS would not trigger termination rights under the contract only because of the resolution measure, even if the contract is governed by foreign laws.

Ex-post Resolution Levies Framework

On 30 June 2025, MAS issued a Consultation Paper on Proposed Framework for Ex-post Resolution Levies for Banking Sector proposing a framework to impose ex-post levies on the banking sector, comprising banks, merchant banks and finance companies to recover the cost of resolving a distressed bank under the FSM Act. The cost of resolving such a bank will initially be covered by a resolution fund set up under the FSM Act to fund the costs of any resolution measures taken by MAS and administered by an independent trustee. MAS is proposing to use uninsured deposit balances of a bank to compute the levies, and for the resolution levies of banks within the banking sector to be proportionate to their share in the Singapore market. MAS has also proposed to begin levy collection approximately two years after the resolution fund obtains funding to carry out its mandate of funding resolution measures taken in respect of a distressed bank, with MAS having the flexibility to determine the collection commencement date. For banks that cease operations after imposition of levies, as they would have benefited from the resolution measures taken, MAS is proposing for such bank to make lump sum payments.

Examinations and Reporting Arrangements for Banks

The MAS conducts on-site examinations of banks. Banks are also subject to annual audit by an external auditor approved by the MAS, who, aside from the annual balance sheet and profit and loss account, must report to the MAS immediately if in the course of the performance of his duties as an auditor of the bank, he is satisfied that:

- (a) there has been a serious breach or non-observance of the provisions of the Banking Act or that otherwise a criminal offence involving fraud or dishonesty has been committed;
- (b) in the case of a bank incorporated in Singapore – losses have been incurred which reduce the capital funds of the bank by at least 50%;
- (c) serious irregularities have occurred, including irregularities that jeopardise the security of the creditors of the bank;
- (d) he is unable to confirm that the claims of creditors of the bank 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 issued MAS Notice 615 on Appointment of Auditors 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 10 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.

In addition, MAS has enhanced investigative powers over financial institutions under the FSM Act, which is an omnibus statute for the sector-wide regulation of financial services and markets. The FSM Act was gazetted on 11 May 2022 and MAS has indicated that it will be implemented in phases. The MAS' investigative powers, which are set out in Part 10A of the FSM Act, came into effect on 24 January 2025. These powers are broad-ranging and allow MAS to conduct an investigation despite the provisions of any other prescribed written law (which includes the Banking Act) or any requirement imposed thereunder or any rule of law. The MAS is empowered to require any person to provide information for the purposes of investigation, require any person to appear for examination, allow the MAS to enter premises without warrant and be able to transfer evidence between the MAS and other agencies.

Aside from Part 10A of the FSM Act, the first phase of the FSM Act was commenced on 28 April 2023 and relates to the porting over of the provisions from the MAS Act covering the following areas: (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. Phase 2A 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. Phase 2B of the FSM Act commenced on 31 July 2024 and introduced 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 or 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, including D-SIBs. Phase 3 of the FSM Act, which came into operation on 30 June 2025, introduced a framework which includes licensing requirements and general powers for MAS for the purpose of regulating digital token service providers under Part 9 of the FSM Act, and commenced certain miscellaneous provisions (sections 183(b) and (c)) of the FSM Act.

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 regulates financial benchmarks by:

- (a) setting out specific criminal and civil sanctions for manipulation of any financial benchmark (including SIBOR and Singapore Dollar Swap Offer Rate); and
- (b) subjecting the setting of key financial benchmarks to regulatory oversight. The MAS regulates administrators and submitters of key financial benchmarks and such persons subject to regulatory requirements. To the extent SIBOR or SOR are subject to additional MAS or industry regulations which adversely affect the volatility or level of such benchmarks, Floating Rate Covered Bonds calculated with reference to such benchmarks could be adversely affected.

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 Steering Committee for SOR Transition to SORA ("SC-STS") to oversee the industry-wide interest rate benchmark transition from SOR to the Singapore Overnight Rate Average ("SORA"). The MAS subsequently expanded the committee's mandate in December 2020 to include the SIBOR to SORA transition and renamed the committee as the Steering Committee for SOR and SIBOR Transition to SORA.

SOR was a key interest rate benchmark used in Singapore for the pricing of Singapore Dollar interest rate derivatives, commercial and retail loans and other financial products. As the discontinuation of USD LIBOR would have impacted the sustainability of SOR, the Association of Banks in Singapore ("ABS") and the Singapore Foreign Exchange Market Committee ("ABS-SFEMC") concluded that financial contracts that reference SOR, in particular Singapore Dollar interest rate derivatives, should transition to reference SORA instead. SORA, which had been published since 2005, is the volume-weighted average rate of borrowing transactions in the unsecured overnight interbank Singapore Dollar cash market in Singapore between 8am and 6.15pm. The SOR to SORA transition was completed on 30 June 2023.

SIBOR was a key interest rate benchmark used in Singapore for housing, commercial and syndicated loans, trade financing and working capital financing. To facilitate transparency and easier comparison of loan pricing and to promote deep and efficient Singapore dollar financial markets, the ABS-SFEMC and SC-STS had recommended concentrating usage of SORA and adopting a SORA-centered approach. In line with this recommendation, usage of SIBOR was transitioned to SORA and this was successfully completed on 31 December 2024. The SIBOR transition involved mainly banks' retail customers, as SIBOR was largely used in retail mortgage loans.

On 25 February 2025, the SC-STS announced the successful completion of the transition from SOR and SIBOR to SORA, and the conclusion of the overall SOR and SIBOR interest rate benchmark transition exercise which began in 2019. SORA has now become the de facto interest rate benchmark standard for Singapore Dollar loan products and the SC-STS has been retired.

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 have taken effect from 11 December 2024.

In addition, the MAS had 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 on Prevention of Money Laundering and Countering the Financing of Terrorism – Banks ("**MAS Notice 626**") and the guidelines thereto 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.

MAS Notice 626 has been revised with effect from 1 April 2024 following the launch of a secure digital platform Collaborative Sharing of ML/TF Information and Cases ("**COSMIC**") aimed at mitigating money laundering, terrorism financing, and proliferation financing by MAS. COSMIC is a centralised digital

platform which allows financial institutions to share information on customers who exhibit multiple "red flags" that may indicate potential financial crime concerns if stipulated thresholds are met. The legal basis for and safeguards for such information sharing is set out in Part 4A of the FSM Act and the Financial Services and Markets (Information Sharing Scheme for Prescribed Financial Institutions) Regulations 2024 the latter of which came into operation on 1 April 2024. The FSM Act requires participant financial institutions to have policies and operational safeguards to protect the confidentiality of information shared. This will allow participant financial institutions to share information on potential criminal behaviour to make informed risk assessments, while protecting the interests of the vast majority of customers who are legitimate. Information sharing is currently voluntary and focused on three key financial crime risks in commercial banking, namely: (a) misuse of legal persons; (b) misuse of trade finance for illicit purposes; and (c) proliferation financing.

SCBSL is one of the six commercial banks in Singapore which are initial participant financial institutions of COSMIC.

On 30 June 2025, MAS Notice 626 was re-issued under the FSM Act. The revised MAS Notice 626 which came into effect on 1 July 2025 makes clear that money laundering includes proliferation financing, and clarifies the scope of customer due diligence measures to be performed for customers that are legal persons or legal arrangements. Paragraph 9 of MAS Notice 626 has also been amended to clarify that a bank cannot rely on an entity or financial institution which only holds a payment services licence or a digital token service provider licence (or equivalent foreign licence) to perform the customer due diligence measures required under MAS Notice 626.

The MAS has also issued the MAS Guidelines for Financial Institutions to Safeguard the Integrity of Singapore's Financial System (the "**FI Guidelines**"), which apply to financial institutions generally, including a bank in Singapore. These guidelines reiterate Singapore's commitment to safeguard its financial system from being used as a haven to harbour illegitimate funds or as a conduit to disguise the flow of such funds, and further elaborate on the role of financial institutions in preserving the integrity of the financial system.

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 first issued on 14 March 2022, but have been cancelled and re-issued on 30 June 2025, with the updated notices having taken effect from 1 July 2025.

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. SCBSL 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 are expected to be implemented by banks in Singapore by 31 October 2022. SCBSL has implemented these additional measures.

On 24 October 2024, the MAS and the IMDA jointly published guidelines on a Shared Responsibility Framework ("**SRF**") for sharing responsibility for scam losses amongst financial institutions, telecommunication operators and consumers for unauthorised transactions arising from a defined set of phishing scams (the "**SRF Guidelines**"). The SRF Guidelines, which have taken effect from 16 December 2024, operates as part of the wider efforts by the Singapore Government and industry to protect consumers against scam losses. The SRF Guidelines applies to all banks and relevant payment service providers that have issued a protected account and mobile network operators under the Telecommunications Act 1999 which provide cellular mobile telephone services. It sets out the MAS' expectations of responsible financial institutions in relation to their duties to mitigate the risk of seemingly authorised transactions, as well as duties of consumers as account users, and the expectations of the IMDA of responsible telecommunication companies in relation to responsible telecommunication duties to mitigate the risk of subscribers receiving SMS which facilitate seemingly authorised transactions. The SRF Guidelines also clarifies the allocation of responsibility for losses arising from seemingly authorised transactions under the SRF, and the operational workflow for reporting a seemingly authorised transaction by an account user.

On 24 October 2024, the MAS also introduced amendments to the E-Payments User Protection Guidelines ("**E-Payments Guidelines**") in three main areas: (a) alignment of the financial industry with established anti-scam industry practices implemented by major retail banks; (b) additional duties of responsible financial institutions to facilitate prompt detection of scams by consumers and a fairer dispute resolution process; and (c) reinforcement of consumers' responsibility to take necessary precautions against scams. These amendments came into effect from 16 December 2024. The SRF and the E-Payments Guidelines are intended to complement each other, with the SRF duties drawing from the E-Payments Guidelines.

The Protection from Scams Act 2025 came into operation on 1 July 2025. The Act aims to better protect targets of ongoing scams by empowering specified officers, including Police officers and Commercial Affairs officers, to issue Restriction Orders ("**ROs**") to banks to restrict the banking transactions of an individual, if there is reason to believe that he will make money transfers to a scammer, withdraw any money with the intention of giving it to a scammer, or apply for or draw down from any credit facility with the intention of benefitting a scammer. Specifically, the RO will allow sufficient time for any specified officer, relative of the scam victim or other persons (including, but not limited to, non-profit organisations and non-governmental organisations) to implement any measures to reduce the risk of the scam victim becoming, or continuing to be, a victim of a scam offence. Operationally, the RO will be issued to any bank in Singapore within the meaning given by section 2(1) of the Banking Act 1970. An RO will only be issued as a last resort, and will be in effect for a maximum of 30 days at a time, if all other efforts to convince the individual have failed. If more time is required to put in place the necessary intervention measures, the Police may extend the RO for up to 30 days at a time, up to a maximum of five extensions.

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 are set out in MAS Notice FSM-N05 on Technology Risk Management which is issued under the FSM Act with effect from 10 May 2024.

In addition, banks in Singapore are subject to cyber hygiene requirements. These requirements are set out in MAS Notice FSM-N06 on Cyber Hygiene issued under the FSM Act with effect from 10 May 2025. 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.

The MAS has also issued the 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.

Artificial Intelligence Risk Management

MAS has on 13 November 2025 published a Consultation Paper on Proposed Guidelines on Artificial Intelligence Risk Management for Financial Institutions proposing to issue Guidelines on Artificial Intelligence (AI) Risk Management (the "**AI Guidelines**") which will apply to all financial institutions including banks. The AI Guidelines are intended to enhance management of AI risks in financial institutions and to set out MAS' supervisory expectations relating to AI risk management in the financial sector. The AI Guidelines will require financial institutions to establish an AI risk management framework which encompass key systems, policies and procedures for the identification, inventorisation and risk materiality assessment of AI. Further, MAS will expect financial institutions to implement controls covering the entire AI life cycle based on their relevant to the AI model, system or use case and proportionate to the assessed risk materiality of the specific AI model, system or use case. In addition, MAS also expects financial institution to develop its AI risk management capabilities and ensure that its technology infrastructure is adequate for an AI use case, system or model. In terms of its implementation, MAS has proposed to provide a transition period of 12 months after the AI Guidelines are issued, for financial institutions to assess and implement the AI Guidelines as appropriate.

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.

Fair Dealing

With effect from 30 May 2024, the scope of application of the Guidelines on Fair Dealing – Board and Senior Management Responsibilities for Delivering Fair Dealing Outcomes ("**Fair Dealing Guidelines**") has been widened to include all products and services offered by all financial institutions to their customers. The MAS has incorporated key principles and guidance on fair treatment of customers at various stages of the customer journey into the Fair Dealing Guidelines to strengthen financial institutions fair dealing practices. These key principles are (a) transparency; (b) consideration of customer interests; and (c) accountability and product governance. While the Fair Dealing Guidelines were written primarily from a

retail customers lens, MAS expects financial institutions to apply the principles set out within to all customers.

Supervision by Other Agencies

SCBSL has been appointed as a settlement bank by the CDP and the Singapore Exchange Derivatives Clearing Limited ("**SGX-DC**") to make payments between the CDP/SGX-DC and their clearing members in accordance with the CDP Clearing Rules and the SGX-DC Clearing Rules.

RELATED PARTY TRANSACTIONS

The SCBSL Group conducts banking transactions with a number of related parties. Related parties of the SCBSL Group as defined under SFRS(I) include associated companies, directors and management personnel of the SCBSL Group. Related party transactions include deposit taking, loans and other credit facilities. All of the related party transactions undertaken by the SCBSL Group parties are made in the ordinary course of business and are carried out on arm's length terms.

THE COVERED BOND GUARANTOR

Introduction

The Covered Bond Guarantor was incorporated in Singapore on 23 October 2023 as a private limited company (registration number 202342228G). The shares in the Covered Bond Guarantor are held by CSCGlobal Trust (Singapore) Ltd. (formerly known as Intertrust (Singapore) Ltd.) (registration number 200301038K) in its capacity as Share Trustee of Banzu Covered Bonds Trust for charitable, benevolent or philanthropic purposes. The principal place of business of the Covered Bond Guarantor is at 77 Robinson Road, #13-00, Robinson 77, Singapore (068896) (telephone number: +65 6500 6400). The Covered Bond Guarantor has no subsidiaries.

Director

The following table sets out the director of the Covered Bond Guarantor and his business address and occupation.

Name	Business Address	Occupation
Tang Edmund Koon Kay	77 Robinson Road, #13-00, Robinson 77, Singapore (068896)	Director
Quek Hwee Ling	77 Robinson Road, #13-00, Robinson 77, Singapore (068896)	Director

The secretary of the Covered Bond Guarantor is Lau Yee Fun.

No potential conflicts of interest exist between any duties owed to the Covered Bond Guarantor by the Director listed above, and their private interests or other duties.

Principal Activities

The Covered Bond Guarantor has been established as a special purpose vehicle and its principal activities are set out in the Establishment Deed and include, *inter alia*, the business of acquiring the Loans and their Related Security (and any related Top-up Loans) from the Seller pursuant to the terms of the Mortgage Sale Agreement, acquiring the beneficial interest in the Trust Assets pursuant to the terms of the Declaration of Assets Trust, making Additional Contributions from time to time in accordance with the provisions of the Declaration of Assets Trust and to guarantee certain payments in respect of the Covered Bonds. The Covered Bond Guarantor will hold the Portfolio and the other Charged Property in accordance with the terms of the Transaction Documents.

Since its incorporation, the Covered Bond Guarantor has not engaged in any material activities other than those incidental to the matters contemplated in this Offering Memorandum, the authorisation of the Transaction Documents (including the Covered Bond Guarantee) referred to in this Offering Memorandum in connection with the issue of the Covered Bonds and other matters which are incidental or ancillary to those activities. The Covered Bond Guarantor has no employees.

Auditors

The independent auditor of the Covered Bond Guarantor is Ernst & Young LLP whose office is located at One Raffles Quay, North Tower, Level 18, Singapore 048583.

The Covered Bond Guarantor's Accounting Reference Date is 31 December of each year. The Covered Bond Guarantor produced its first audited financial statements for the financial period from 23 October 2023 to 31 December 2024.

MACROECONOMIC CONDITIONS AND HOUSING MARKET IN SINGAPORE

The following is a brief summary of the macroeconomic conditions and the housing market of Singapore derived from publicly available information. While the Issuer is not aware of any misstatements in the information relied on in the preparation of this summary, this summary is not and does not purport to be a complete representation of the macroeconomic conditions and housing market of Singapore. The information (which includes estimates and projections) is also subject to change based on various factors, including those discussed under the section headed "Risk Factors" in this Offering Memorandum.

Singapore Macroeconomic Conditions

	2021	2022	2023	2024	2025
			%		
Real GDP growth ⁽¹⁾	10.1	4.0	1.5	5.3	5.0
Consumer price index growth ⁽²⁾	2.3	6.1	4.8	2.4	0.9
Unemployment rate ⁽³⁾	2.8	2.1	1.9	2.0	2.0

Source: Department of Statistics Singapore

Notes:

- (1) Annual GDP in chained (2015) market prices, expressed as a percentage change from the previous year.
- (2) Expressed as a percentage change from the previous year.
- (3) Refers to the unemployed aged 15 years and over as a percentage of the labour force, annual average.

GDP per-capita and GDP Growth

In February 2026, the Ministry of Trade and Industry announced that Singapore's economy grew by 5.0% in 2025, rising from 5.3% expansion in 2024. The manufacturing sector grew by 8.7% in 2025, picking up from the 3.8% expansion in 2024. The services producing industries grew by 4.3% in 2025, extending the 5.8% growth in 2024, mainly driven by the wholesale trade and finance & insurance sectors. The construction sector expanded by 5.2% in 2025, supported by both public and private construction works.

In 2025, the International Monetary Fund ("IMF") reported Singapore's GDP per capita for 2025 at US\$94,481, a significant increase from US\$38,927 in 2009. The below table shows GDP per capita data of 2025 (in US dollars) for certain selected economies.¹³

Economy	GDP per capita in US dollars (2025)	Ranking (2025)
Singapore	94,481	6th
United States	89,599	8th
Australia	65,946	13th
Germany	59,925	19th
Hong Kong SAR	56,844	20th
United Kingdom	56,661	21st
France	48,982	28th

Unemployment

The unemployment rate in Singapore was low and relatively stable at 2.0% in 2025, compared to 2.0% in 2024.

¹³ International Monetary Fund, Datamapper, 2025

Inflation¹⁴

In 2025, consumer prices in Singapore rose by 0.9%, down from a 2.4% increase in the previous year. MAS Core Inflation (which excludes "accommodation" and "private road transport") for 2025 was estimated at 0.7%, down from 2.8% a year ago.

Monetary policy

Singapore has an exchange rate-centred monetary policy, under which the Singapore dollar is managed against a basket of currencies of Singapore's major trading partners and competitors under a managed float regime. The MAS maintained the three parameters of the Singapore dollar nominal effective exchange rate (S\$NEER) policy band (slope, mid-point, and width) in January 2026 as well as October and July 2025, after easing monetary policy by reducing slightly the slope of the S\$NEER policy band in both January and April 2025. In January 2026, the central bank said that it is in an appropriate position to respond effectively to any risk to medium-term price stability.

Singapore Private Residential Property Market

The following is a summary of the private segment of residential properties and their buyers in Singapore.

Housing stock

The overall residential housing stock in Singapore is skewed towards public housing, with around 77.8% in public flats. As of 2025, according to Singapore Department of Statistics, there are an estimated 1.49 million units of housing in Singapore, of which 1.15 million units are public flats built by the Singapore Housing Development Board ("**HDB**") and almost 0.34 million units are private residential properties.¹⁵

Private residential property prices¹⁶

According to latest flash estimates from the Urban Redevelopment Authority ("**URA**"), private residential property prices, measured by the property price index (PPI), rose by 3.3% in 2025, compared to 3.9% in 2024. Prices have been on a sustained upward trajectory since 2021, though the pace has been moderating in recent years. Property prices increase in 2025 was one of the slowest since 2020. Overall property prices have moderated across the island, with homes in the Outside of Central Region ("**OCR**") increasing by 3.2% in 2025, followed by homes in the Core Central Region ("**CCR**") of 1.9% then in the Rest of Central Region ("**RCR**"), which increased by 1.6% in 2025. Similarly, the HDB resale price index increased by 2.9% in 2025, a moderation from the 9.7% increase in 2024. According to data from URA, most buyers in the primary sales market are Singaporean households or HDB upgraders, suggesting that the strong aspiration to upgrade to a private property continues to be a key driver for demand for private homes, while the decline in domestic mortgage rates has helped to boost demand from buyers. The proportion of foreign buyers of private residential properties is estimated to be only 1.2% in 2025, a slight decline compared to a year ago.

The SCBSL Group also noted a strong rebound in overall volumes (ex Executive Condominiums), a further improvement in momentum that started in the second half of 2024. The overall transaction volume was circa 27,800 units in 2025, a circa 27% year-on-year increase. This is one of the highest transaction volumes seen since 2021 and the most active year since 2013. Primary sales volumes rebounded strongly year-on-year to around 10,800 units while volumes in the resale and sub sale market rose circa 9% year-on-year to circa 17,000 units. This rebound can be attributed to a robust new launch pipeline offered by property developers, which was met with strong take-up rates as a result of close alignment with buyers' preference of location, connectivity and housing budget. Due to current total debt serving ratio ("**TDSR**") rules, developers have kept overall sales quantum within household affordability, with circa 68% of new non-landed private homes sold are below SGD 2.5 million dollars, a similar proportion compared to a year ago.

In July 2025, the government extended the holding period of SSD period back to 4 years with higher rates for private residential properties, with the aim of further preventing property speculation and to ensure

¹⁴ MAS Monetary Policy Statement – January 2026.

¹⁵ Department of Statistics Singapore.

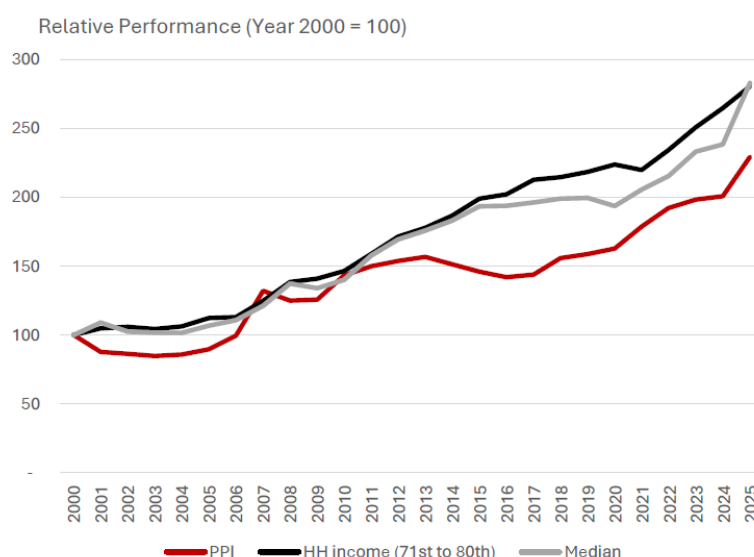
¹⁶ Urban Redevelopment Authority (URA), real estate statistics for 2025 and flash estimates for Q4 2025.

stability in the overall property market. In addition, the government has also hiked up supply in both the public and private property market in order to offer variety and more housing types for households to choose from.

In the meantime, measures such as (i) tightening of TDSR rules, (ii) higher additional buyer stamp duty (“ABSD”) rates for local and foreign investors, (iii) extending Seller Stamp Duty holding period, with increased tax rates, (iv) reduction in loan-to-value (“LTV”) for HDB mortgages and (v) ramping up residential supply in the public (HDB) and private markets, will help to rein in further price increases. These measures, which are aimed at increasing the cost of ownership for properties in Singapore whilst preventing households from over-leveraging, will taper expectations of price increases in 2026. Market transaction velocity is anticipated to normalise in 2026, given a lower number of project lined up for sale amidst a softening mortgage rates environment. The longer holding period for investors and softening macroeconomic backdrop will also rein in buyers’ impulse purchases.

The below chart uses the median household income and 80th percentile household income of the resident population compared to the price performance of the non-landed property price index, based on latest statistics, as of 2025.

House prices (PPI) vs. household income (median and 71st and 80th percentile)



Financial situation of households¹⁷

According to the MAS, in its financial stability review released in November 2025, Singapore household balance sheets have remained resilient over the past year, underpinned by firm financial asset growth. Singapore household sector continues to see strong credit quality during the year. Looking ahead, MAS cautions that softer economic conditions and weaker labour markets could affect more vulnerable households, though overall household sector vulnerabilities remain low.

Leverage risk is contained, despite a modest rise in household sector vulnerability due to higher outstanding mortgage loans, with mortgage rates having eased over the past year, with banks adjusting mortgage rates downwards. While overall household debt continued to grow during 2025, led by mortgage loans, this was outpaced by faster growth in financial assets. Household debt servicing ability also continued to be healthy, supported by stable income growth alongside lower mortgage rates through 2025.

Household debt-to-personal disposable income (“PDI”) remained stable at a decade-low of 1.1 times in Q2 2025 through the year, as healthy wage growth outpaced the increase in household debt. On an aggregate basis, Singapore’s household balance sheets continued to benefit from stable wage growth and strong balance sheets. MAS’ stress tests show that households have sufficient buffers to mitigate downside risks

¹⁷ MAS Financial Stability Review, November 2025.

including shocks to incomes and financing costs given the strength of their balance sheets, though a small proportion of highly leveraged households may face debt-servicing pressures and cashflow constraints. Liquidity risk for household remained low, with growth of liquid assets such as cash and deposits keeping pace with that of shorter-term household liabilities and high aggregate net wealth is likely to provide households with a significant financial buffer against income shocks.

The residential mortgage market in Singapore¹⁸

Bank mortgage lending activities was robust in 2025 as loan growth accelerated during 2025 on the back of growing residential transactions in both primary and secondary market. Mortgage loans by banks stood at SGD 244 billion at the end of December 2025, 5.3% higher than the outstanding mortgage loans as at the end of 2024. These loans are secured by either mortgages over HDB flats or private residential properties, the latter of which form the majority. Separately, HDB provides concessionary mortgage financing directly to qualifying buyers of its HDB flats who meet certain eligibility criteria, which according to HDB in its annual report ended 31 March 2025, amounted to approximately SGD 44 billion, growing 6% year-on-year.

Housing loans accounted for 18% of total non-bank loans in December 2025, stable from a year ago. Credit quality of housing loans continued to remain strong during the year. Housing NPL ratios was broadly stable through last few quarters at 0.2% as of Q3 2025, remaining below its 15-year historical average of 0.37%.

Cash out loans

A borrower has the option to apply for cash-out loans that are secured against a fully paid-up private residential property or against the existing mortgage that was granted to secure a housing loan in respect of private residential properties, provided the additional loans are within applicable LTV and TDSR guidelines.

¹⁸ Department of Statistics Singapore.

REGULATION/LEGAL ASPECTS OF THE SINGAPORE RESIDENTIAL MORTGAGE MARKET

Regulation Aspects of the Singapore Residential Mortgage Market

Residential property loans are loans in respect of property in Singapore which is permitted under the Planning Act 1998 of Singapore for use solely or partly for residential purposes, including a HDB flat, or in accordance with its zoning in the Urban Redevelopment Authority Master Plan is permissible for use solely or partly for residential property ("**Residential Property**"). Residential Property loans issued by banks in Singapore are subject to regulation under the Banking Act, the Banking Regulations, and notices, circulars and guidelines issued by the MAS thereunder. In particular, Residential Property loans are subject to MAS Notice 632. MAS Notice 632 sets out criteria in respect of any credit facility for the purchase of Residential Property extended to a borrower or, in the case where the borrower is a vehicle set up for the purchase of Residential Property, the vehicle, and any credit facility otherwise secured by Residential Property extended to a borrower who is an individual or, in the case where the borrower is a vehicle set up for the purchase of Residential Property in Singapore, the vehicle. MAS Notice 632 prescribes, amongst other things, LTV ratios applicable to Residential Property loans, the proportion of the borrower's minimum cash contribution towards the purchase of the Residential Property and prohibits interest-only loans and interest absorption schemes. Below is a summary of some of the more significant requirements of MAS Notice 632.

In addition, the MAS introduced a Total Debt Servicing Ratio ("**TDSR**") framework in June 2013 for all property loans granted by banks to individuals (including sole proprietorships and vehicles set up for the purchase of property) pursuant to MAS Notice 645 on Computation of Total Debt Servicing Ratio for Property Loans and the Guidelines on the Application of Total Debt Servicing Ratio for Property Loans under MAS Notices 645, 1115, 831 and 128. The TDSR framework requires banks to take into consideration borrowers' other outstanding debt obligations when granting property loans. Banks are required to compute the TDSR, or the percentage of monthly total debt obligations to gross monthly income, on a consistent basis. On 16 December 2021, the MAS revised the TDSR threshold of 60% to 55% for all housing loans granted on or after the said date, which means, the individual's monthly total debt obligations should not exceed 55% of his gross monthly income. Property loans in excess of the TDSR threshold of 55% should only be granted on an exceptional basis and banks should clearly document the basis for such loans. The revised threshold of 55% will also apply to new mortgage equity withdrawal loan (MWL) applications made on or after 16 December 2021 unless the LTV of the MWL when aggregated with any other loans secured on the same property, does not exceed 50%. In addition, processes should be in place to subject exceptional cases to enhanced credit evaluation and reporting to the MAS. From 11 March 2017, the TDSR framework was disapplied to credit facilities secured by property where the aggregate of the amount to be granted under the credit facility and the balance outstanding under any other credit facility or refinancing facility granted by any person for the purchase of that property or otherwise secured by that property does not exceed 50% of the current market valuation of the property. This latest disapplication does not apply to credit facilities and refinancing facilities for the purchase of property.

The MAS has also capped the mortgage servicing ratio for housing loans granted by banks for the purchase of HDB flats and executive condominium units where the minimum occupancy period of the executive condominium has not expired at 30% of a borrower's gross monthly income. The TDSR framework was also fine-tuned from 1 September 2016 to allow borrowers more flexibility in managing their debt obligations.

On 29 September 2022, the MAS announced that it will raise by 0.5% point the medium-term interest rate floor used by private financial institutions such as banks to compute a borrower's TDSR and mortgage servicing ratio. For residential property purchase loans and MWL, the medium-term interest rate will now stand at the higher of a 4% per annum floor (up from 3.5% per annum) or the thereafter interest rate (i.e. the highest possible interest rate applicable during the tenure of a property loan, excluding introductory or promotional rates). These changes will take effect and apply to loans for the purchase of properties where the Option to Purchase is granted on or after 30 September 2022, or where there is no Option to Purchase, the date of the Sale and Purchase Agreement is on or after 30 September 2022. They will also apply to new MWL applications made on or after 30 September 2022. MAS Notice 645 has been updated to reflect the foregoing amendments. In addition, the MAS announced that it will lower the LTV limit for HDB housing loans from 85% to 80%. On 20 August 2024, the LTV limit for HDB housing loans was lowered further to 75%. This revised LTV limit is now in line with the maximum LTV limit for housing loans granted by private financial institutions which also stands at 75%.

Loan-to-value ratios and borrower's contribution

MAS Notice 632 sets out the maximum LTV ratios and the Minimum Cash Amount in respect of Residential Property loans. These figures vary depending on a number of factors, which include the date on which the option to purchase the Residential Property was granted (or the date of the sale and purchase agreement), whether the borrower is an individual and whether he or she has any other outstanding credit facility for the purchase of another Residential Property, as well as the tenure of the credit facility. MAS Notice 632 provides that banks may not grant:

- (a) credit facilities for the purchase of Residential Property to a borrower (individual or non-individual) or, in the case where the borrower is a vehicle set up for the purchase of Residential Property, the vehicle; and
- (b) credit facilities otherwise secured by Residential Property to a borrower who is an individual or, in the case where the borrower is a vehicle set up for the purchase of Residential Property, the vehicle,

where the aggregate of (i) the amount granted under the credit facility, (ii) the balance outstanding under any other credit facility granted by any MAS-regulated financial institution or moneylender in respect of that Residential Property or secured by that Residential Property and (iii) the balance outstanding under any loan granted by the vendor to the borrower for the purchase of that Residential Property exceeds the "Relevant Amount" as defined in MAS Notice 632 (which is derived from a formula which takes into account, amongst other things, the adjusted purchase price or current market valuation of the property, the LTV ratio and/or the Minimum Cash Amount).

Restrictions on tenure

Generally, MAS Notice 632 also prohibits banks from granting any credit facility for the purchase of Residential Property, any credit facility secured by Residential Property or any refinancing facility for a credit facility otherwise secured by Residential Property, where the tenure of the relevant credit facility exceeds 35 years.

There are also restrictions on the tenure of refinancing facilities for the purchase of Residential Property.

Prohibition on interest-only loans and interest absorption schemes

Further, banks in Singapore are also prohibited from:

- (a) granting any credit facility for the purchase of Residential Property, or a refinancing facility (subject to certain exceptions), on terms where only the interest under the credit facility is payable and none of the principal amount is repayable for a certain period during the term of the facility;
- (b) granting any credit facility for the purchase of Residential Property where the vendor of the Residential Property, its agent, nominee or any other party by arrangement with the vendor has, under an interest absorption scheme, agreed to pay any of the interest which is payable in respect of the credit facility; and
- (c) entering into any agreement or arrangement with a vendor for the purposes of giving effect to an interest absorption scheme.

Borrower to be Mortgagor

There are also restrictions in MAS Notice 632 on granting credit facilities (including refinancing facilities) for the purchase of Residential Property where the borrower is not the mortgagor, either by himself or jointly, of the Residential Property.

Legal Aspects of the Singapore Residential Mortgage Market

The following discussion is a summary of the material legal aspects of the Singaporean residential mortgage market and is not an exhaustive analysis of the relevant law.

Singapore Land Registration System

In Singapore, most of the lands are governed by the Torrens title system, and administered in accordance with the Land Titles Act, and, in the case of land which has been strata subdivided, the Land Titles (Strata) Act (together with the Land Titles Act, the "**Land Related Acts**").

One of the key features of the Land Titles Act is the principle of "title by registration", which means that no instrument is effectual to pass any estate or interest in registered land until it is registered in accordance with the Land Titles Act. Further, under the said Act, interests appearing in the land register have priority only in accordance with their order of their registration or notification, without any regard to the dates of the instruments by which these interests were created.

The Singapore Land Authority, a statutory board under the Ministry of Law, is given the duty and power to administer the systems for the recording and registration of transactions relating to land in Singapore in accordance with the Land Related Acts. Presently, for private land, an electronic land register is maintained, and registration and public searches may be conducted electronically.

Torrens Title

The title to each type of interest or estate in a parcel of land (whether freehold or leasehold, and including any strata subdivided unit) is comprised in and represented by a specific folio created in the land register and each folio has a distinct reference allocated to it. The folio records, *inter alia*, the particulars of the land and the interest created, the name(s) of the registered owner(s) for the time being of that interest, and such other estates or interests that affect the land. The Registrar of Titles may, if he thinks fit, issue a certificate of title ("CT") (in the case of landed property), a subsidiary strata certificate of title ("SSCT") (in the case of a strata subdivided property), or a subsidiary certificate of title ("SCT") (in the case of certain sublease interests), each bearing a serial number which shows clearly the distinctive reference allocated to the relevant folio. Where the CT, SCT or SSCT has been issued by the Land Registry, a print-out of such title document will be delivered to the registered owner(s) or the registered mortgagee or chargee (as the case may be) in accordance with the Land Related Acts.

As part of the ongoing efforts to progress towards a fully electronic environment, the Singapore Land Authority is now working towards a paperless electronic title system, whereby the CT, SCT or SSCT (as the case may be) will not be printed by the Land Registry after the registration of instruments, thereby dispensing with the need for print-outs of the relevant title documents to be safekept. Presently, the paperless title scheme is extended to all properties with mortgages granted to financial institutions licensed by the MAS, including SCBSL. Under the paperless title scheme, a prescribed online form of authorisation which has been digitally signed by an authorised officer of the mortgagee which is entitled to be in possession of the relevant title document is to be submitted electronically to the Land Registry to authorise the registration of an instrument against the title of the relevant property (instead of producing the print out of the title document).

Only instruments or forms approved by the Registrar of Titles may be used to register any dealings affecting the registered land. Where the CT, SSCT or SCT has been issued, the relevant print-out of the title document (where such title document has been printed) or the prescribed authorisation form digitally signed by the relevant party (where such title document has not been printed) must be produced for the purpose of effecting the registration of any instrument lodged with the Land Registry.

Under this Torrens registration system, the State guarantees the title to the registered land and an assurance fund is maintained pursuant to the Land Titles Act for the purposes of compensating any person who is deprived of land or sustains loss or damage through any omission, mistake or misfeasance of the Registrar of Titles or any member of his staff.

Strata Title

A building can be subdivided into different lots of delineated parcels of airspace and such parcels may be dealt with individually. For such strata subdivided airspaces or units, the Singapore Land Authority maintains a separate subsidiary strata land-register in accordance with the Land Titles (Strata) Act and the provisions of the Land Titles Act are applicable in all respects (unless they are inconsistent) to such land and strata subdivided airspaces or units. A folio is created in the land-register for the land pursuant to the

Land Titles Act and a separate folio is created in the subsidiary strata land-register pursuant to the Land Titles (Strata) Act in respect of the interest created for each strata subdivided airspace or unit.

For those parts of the land and the building which are outside the strata subdivided airspaces or units, such as the open space, lifts, lobbies, corridors, carpark and stairways, these are considered "common property" under the Land Titles (Strata) Act and are held by the owners for the time being of all the strata subdivided airspaces or units as tenants in common. Each owner is assigned a certain share value and the share value in turn determines, *inter alia*, the proportionate share of the common property owned by such owner.

The interest of the owner in the relevant strata subdivided airspace or unit and his share in the "common property" in accordance with the allotted share value are recorded in the relevant folio.

Under the Land Titles (Strata) Act, the owners of all the strata subdivided airspaces or units registered from time to time constitute the management corporation for that estate. The management corporation has the duty and power under the Building (Strata Management) Act to control, manage and administer the common property for the benefit of all owners.

Under the Building (Strata Management) Act, a management fund and a sinking fund are to be established and maintained by the management corporation, and the contributions by owners of the strata subdivided airspaces or units towards these funds are to be determined at general meetings of the management corporation from time to time. The management fund is generally for the purpose of discharging liabilities relating to the regular maintenance and upkeep of the common property and the sinking fund is generally for the purpose of meeting actual and future capital expenditures such as painting of the external façade of the buildings, major repairs and improvements of common property and boundary walls. Generally, the management corporation may levy such contributions by serving notices to the owners, and the contributions in respect of each unit must be in shares proportional to the share value of that unit. The foregoing general position is subject to certain exceptions set out in Section 41 of the Building (Strata Management) Act. If a mortgagee is in possession of the strata subdivided airspace or unit, the mortgagee is jointly and severally liable with the owner for such contributions.

Generally, the management corporation has the right to sue an owner or a mortgagee in possession for any unpaid contributions or levies. Under the Building (Strata Management) Act, if any contribution remains unpaid for a period of 30 days after the management corporation has served a written demand for the amount, the management corporation may also lodge an instrument of charge against the unit and the outstanding amount (including interest, if any) constitutes a charge on the unit. Upon registration of such a charge, the management corporation has the power to sell the strata subdivided airspace or unit as if such management corporation is a registered mortgagee, to recover such outstanding contributions. Further, it is provided in the Building (Strata Management) Act that such charge in favour of the management corporation cannot be over-reached by the exercise of the power of sale by a prior registered mortgagee or chargee of that unit.

Once the whole amount or contribution due (including interest thereon) and any necessary or incidental charges (including legal costs) are paid to the management corporation, the owner of such unit shall be entitled to an instrument of discharge executed and acknowledged by the management corporation as to the receipt of such payment. Upon registration of the instrument of discharge, the unit shall be freed from the charge constituted under the Building (Strata Management) Act.

State Lands Act

Title to private residential properties in Singapore may be freehold or leasehold. Freehold interests may be in the form of an estate in fee simple or an estate in perpetuity, the latter being an interest granted by the State under the State Lands Act. As for leasehold interests, these may be comprised, *inter alia*, in a private lease or a State lease granted by the government pursuant to the State Lands Act.

A grant or lease pursuant to the State Lands Act must be in form prescribed under the State Lands Act and signed by the Collector of Land Revenue, setting out the terms of such grant or lease, including the rent payable, if any. For a grant issued under the State Lands Act, certain covenants are implied by virtue of the said Act to be included in the grant (unless there is an express provision to the contrary) and one of these covenants is that the relevant land may not be assigned or demised "in parcels or otherwise than the entirety thereof except in the case of a lease for a term not exceeding 7 years". Further, such grant or lease is subject to certain agreements and conditions stipulated in the State Lands Act (unless there is an express

provision to the contrary), for example, the right of the officers of the government and their workmen to have free access to the land for laying of drains, sewers, water pipes, electric and telecommunication wires and the right of the State to re-enter the land upon the breach of covenants by the owner.

Land Acquisition Act

All land in Singapore may be acquired by the State under the Land Acquisition Act. Generally, a public purpose or a certain specified purpose, such as the building of transportation, infrastructure or public housing, must be present before the State may exercise its rights of compulsory acquisition in respect of such land. The declaration for the acquisition of land for such purpose is usually published by way of notification in the Government Gazette and such notification is conclusive evidence that the land is needed for the purpose specified in the notification.

Upon the publication of the notification, the Collector of Land Revenue will be directed to take proceedings for the acquisition of land. A notice will be published in the daily local newspapers circulating in Singapore stating, *inter alia*, that the State intends to acquire the land and that claims to compensation for all interests in the land may be made to the Collector of Land Revenue. Notices will also be served on every person known or believed to be interested in the land or any person known or believed to be entitled to act for a person so interested, to inform them of the same.

Thereafter, the Collector of Land Revenue shall proceed to inquire into any objections and as soon as possible after the conclusion of the inquiry make an award of the area of the land to be acquired, the compensation which in his opinion should be allowed for the land and the apportionment of compensation among all persons known or believed to be interested in the land. Presently, compensation will be based on the market value of the land to be acquired under the Land Acquisition Act.

After the award has been made, the Collector of Land Revenue may take possession of the land by serving a copy of the appropriate notice of taking possession on every person interested in the land or any person known or believed to be entitled to act for a person so interested.

Mortgages over Registered Land

Registered land may be mortgaged to secure payment of a debt. Typically, there are two parties to a mortgage. The first is the mortgagor, who is the property owner who grants the mortgage. The mortgagor may also be the borrower. Where the mortgagor is not the borrower, the borrower will be joined as a party to the mortgage. The second party is the mortgagee, who is the lender or security trustee of a lender. Generally, for private residential property, a housing loan is granted on the basis that it be secured by a mortgage, which mortgage has a first ranking priority over all other mortgages or charges granted by the mortgagor and over all unsecured creditors of the borrower, except for the statutory charges created in favour of the CPF Board and certain other statutory rights which are granted priority, for example a claim against the owner of a mortgaged property for property tax, etc.

For a mortgage over a property to be enforceable and conferred the requisite priority, such mortgage must be granted by way of an approved form of instrument of mortgage and registered with the Land Registry. Where the CT, SCT or SSCT of the property has been issued, the print-out of the title document of the relevant interest in the property must be produced to the Land Registry for registration of such mortgage. Upon registration, a statement on the registration of the mortgage will be recorded on the folio and a new edition of the CT, SCT or SSCT (as the case may be) with the relevant memorial of registration of the mortgage will be issued. A print-out of that new edition title document will be delivered to the mortgagee of a first ranking mortgage, unless such first ranking mortgagee agrees to some other arrangement. Under the paperless electronic title system, a prescribed online form of authorisation will have to be completed and submitted electronically by the holder of the title document to the Land Registry (instead of producing the physical print-out of the title document) for registration of the mortgage. Upon registration, instead of a print-out of that new edition title document being issued, the Land Registry will issue a land register search print-out which will show, *inter alia*, the relevant memorial of registration of the mortgage.

Under the Land Titles Act, a registered mortgage has effect as a security only and does not operate as a transfer of the title to the mortgaged land. The mortgagor remains the legal owner of the relevant estate or interest in the relevant mortgaged land. The mortgagee is given certain rights and powers under the Land Titles Act, such as (1) to effect the transfer of title to the mortgaged land by the mortgagee in exercising its power of sale, (2) the right to enter into possession of the mortgaged land after one month's written notice

is given and (3) the right to foreclose the relevant mortgaged land. Except for the right of foreclosure, the rights in (1) and (2) are generally exercisable without the assistance of the court.

When the secured obligations under the mortgage are fulfilled, the mortgagor is entitled to obtain from the mortgagee an instrument of discharge of mortgage in the approved form prescribed by the Land Titles Act. Once the discharge instrument is registered, the land which is the subject of the mortgage will be freed from the mortgage and from all rights and powers of the mortgagee, either absolutely or to any lesser extent as expressed in the discharge.

Transfer of Registered Mortgages

A mortgagee of a registered mortgage may effect the transfer of its interest in the mortgage by registering an instrument of transfer of mortgage in the approved form with the Land Registry. The particulars required for such instrument include the registration number of the relevant registered mortgage, the distinctive reference number of the CT, SSCT or SCT (as the case may be), and the particulars of the mortgaged land.

Once the instrument is registered with the Land Registry, the transferee will be entitled to all of the mortgagee's rights, powers and remedies (both express or implied) in the mortgage. However, as a mortgagor is not bound under the Land Titles Act to account to the transferee if, *inter alia*, the mortgagor is not notified in writing of such transfer, it would be necessary for the transferee to ensure that appropriate written notice is given to the mortgagor as soon as possible.

Mortgagee's Power of Sale

When a registered mortgagee exercises its power to sell mortgaged land, the Land Titles Act specifically permits the Registrar of Titles to register any transfer of title to the mortgaged land by the registered mortgagee without having to inquire whether default has occurred, whether notice has been given or whether the power was otherwise properly or regularly exercised. Upon registration of such a transfer, it is expressly provided in the Land Titles Act that the interest of the mortgagor will pass to and vest in the transferee freed and discharged from all liability on account, *inter alia*, of that mortgage or any other interest registered or notified subsequent to the mortgage and which is not binding on the mortgagee.

Upon sale of the mortgaged land, the monies received by a mortgagee must first be applied towards discharge of all prior interests and encumbrances to which the sale is not made subject (if any) and all other statutory liabilities. Under the Land Titles Act, the mortgagee is required to apply the balance of such proceeds, firstly towards payment of all costs and expenses properly incurred as incidental to the sale or any attempted sale of the mortgaged land, secondly towards discharge of the mortgage money, interest and costs and other money and liability (if any) secured by the mortgage, thirdly towards payment of subsequent mortgages and charges (if any) in the order of their priority, and the residue to be paid to the person appearing on the land-register to be entitled to the mortgaged land.

Residential Property Act

In Singapore, non-Singapore citizens, companies, limited liability partnerships and societies ("**Foreign Persons**") and each a "**Foreign Person**") are prohibited under the Residential Property Act 1976 of Singapore to purchase or acquire (whether by creation of a trust, by gift *inter vivos* or otherwise, or for consideration) certain types of residential properties or any interest therein without the prior approval of the Minister of Law, except by way of a mortgage or charge, and such dealings in contravention of the Residential Property Act shall be null and void. Under the Residential Property Act, a "Singapore company" means, *inter alia*, a Singapore-incorporated company where all its directors and members are Singapore citizens, and where any of its members is a company or limited liability partnership, such members must be a Singapore company or a Singapore limited liability partnership, and so must each of its direct and indirect holding entities.

These restricted residential properties include vacant residential land, landed property such as detached houses, semi-detached houses, terrace houses and landed dwelling houses within strata developments which development is not approved by the relevant competent authority as a "condominium".

Therefore, in respect of mortgaged land which is a restricted residential property under the Residential Property Act, a mortgagee when exercising its power of sale will similarly be prohibited from selling and transferring such mortgaged land to a Foreign Person unless the approval of the Minister of Law is obtained. Further, in the event the estate or interest in the mortgaged land (other than security interest) is vested in

the mortgagee who is a non-Singapore company or entity (whether pursuant to an order of foreclosure or otherwise), the mortgagee must sell the restricted mortgaged land within a period of three years of the date of the order of foreclosure or of the date of the vesting of such interest in the mortgagee (unless an extension of time is granted by the Minister of Law), failing which the Minister of Law may issue a notice of attachment and sell the mortgagee's estate or interest in that restricted mortgaged land.

CPF Board

In Singapore, the CPF was established in 1955 pursuant to the CPF Act, primarily as a compulsory comprehensive savings plan for working Singapore citizens and permanent residents to fund their retirement, healthcare and housing needs. The CPF is administered by the CPF Board, a statutory board established under the CPF Act. All working Singapore citizens and permanent residents ("**CPF members**" and each a "**CPF member**") and their employers are required to contribute varying percentages of their monthly wages to the fund. Each monthly contribution will be credited into the three accounts of that employee, namely the ordinary account, the special account and the medisave account. The savings in each of the accounts earn interest at different rates guaranteed by the Singapore government.

Subject to certain terms and conditions, under the present approved schemes, a CPF member may apply to use monies standing to his credit in the CPF ordinary account (or in certain cases the CPF special account), *inter alia*, to buy a private residential property or to repay (whether on a monthly basis or otherwise) the housing loan taken up for the acquisition of such private residential property and/or (where applicable and approved by the CPF Board) the loan taken up to finance the costs of construction of a new dwelling house on the property. On withdrawal of such monies, a charge over the private residential property is automatically created under the CPF Act to secure the repayment of the withdrawn CPF Funds together with interest that would have accrued if the withdrawal had not been made. For private residential property, the CPF Board requires a charge instrument to be registered against the title of the property before the registration of any mortgage, or, in the case of a mortgage which is already registered, such mortgage interest to be postponed after the charge in favour of CPF Board. On registration of such a charge, the CPF Board will have the power of sale and all other powers relating or incidental thereto as if it is a registered mortgagee.

Under the present regime, for a residential property bought on or after 1 September 2002 or where a contract or agreement for housing loan is signed with the mortgagee on or after 1 September 2002, when the property is sold (whether by the exercise of power of sale by the mortgagee or the CPF Board), or when the property is compulsorily acquired by the State, the proceeds (after deducting all costs and expenses incurred directly in connection with the sale of the property or in connection with the proceedings relating to the compulsory acquisition) are to be applied to repay the mortgagee (which in the case of the CPF Loans (as defined below in the section "*The Loans and the Portfolio – CPF Loans and Non-CPF Loans*") is the Seller or the transferee of the relevant Mortgage, as the case may be) and the CPF Board in the following order of priority:

- (i) *first*, in payment to the mortgagee of an amount equivalent to the balance of the housing loan outstanding and remaining unpaid as at the date the borrower or mortgagor defaulted in the repayment of the housing loan or as at the date of publication of the gazette notification relating to such compulsory acquisition (as the case may be and whichever is earlier) together with the interest on the housing loan calculated on a day to day basis up to and remaining unpaid as at the date of such default or the date of such publication (as the case may be and whichever is earlier);
- (ii) *second*, in payment to the CPF Board of an amount equivalent to the aggregate of:
 - (a) the monies withdrawn from time to time up to 100% of the value of the property at the time of the agreement for purchase of the property by the mortgagor; and
 - (b) the monies withdrawn from time to time to pay the fees (including valuation and survey fees), stamp duties, charges and legal costs in connection, *inter alia*, with the purchase of the property, the CPF Board's charge and the mortgage in favour of the mortgagee;
- (iii) *third*, in payment, *pro rata* and *pari passu*, to:
 - (a) the CPF Board of an amount equivalent to the aggregate of
 - (A) the monies withdrawn from time to time in excess of amount paid or payable under paragraph (ii) above; and

- (B) the interest on the total amount of monies withdrawn that would have been payable if the withdrawal had not been made; and
- (b) the mortgagee of the balance amount of interest on the housing loan still owing under the mortgage after taking into consideration the interest payments made under paragraph (i) above;
- (iv) *fourth*, in payment, *pro rata* and *pari passu*, to:
 - (a) the CPF Board towards satisfaction of all costs and expenses and other monies which the CPF Board is entitled to receive under the CPF Board's charge; and
 - (b) the mortgagee of all costs and expenses which the mortgagee is entitled to receive under the mortgage; and
- (v) *fifth*, in payment to the mortgagee of all other monies owing and payable to the mortgagee under the mortgage, including such principal sums, interests and fees in connection with other credit or banking facilities granted by the mortgagee and which are not payable to the mortgagee under the paragraphs above.

For the avoidance of doubt, the amount equivalent to the Principal Balance of a CPF Loan (together with interest on the CPF Loan calculated on a day to day basis up to and remaining unpaid as at the date of the Borrower's or the Mortgagor's default in the repayment of the CPF Loan, or as at the date of publication of the relevant gazette notification relating to compulsory acquisition of the relevant Property) due to the Covered Bond Guarantor ranks in priority to payments to the CPF Board (as described in paragraphs (i) and (ii) above). Any interest accrued on that CPF Loan on and from the date of default by the Borrower and/or the Mortgagor and certain non-sale related costs and expenses (such as insurance premiums payable in respect of the property) which the Covered Bond Guarantor is entitled to receive under the Mortgage will only be paid to the Covered Bond Guarantor after the refund of the withdrawn CPF Funds is made to the Mortgagor's CPF account(s). See also the section titled "*Risk Factors – Risks Relating to the Covered Bonds – The CPF Board and other creditors/third parties may have a statutory preference in priority to the Mortgage*".

The withdrawal of CPF Funds is subject to certain terms and conditions of the CPF Board and these include the following:

- (i) the instrument to notify the CPF Board's charge must be registered before the registration of any mortgage in favour of the financier;
- (ii) if a default by the borrower or the mortgagor occurs for a continuous period of more than seven days, the mortgagee must notify the CPF Board by registered post of such default within three months and seven days from the occurrence of such default;
- (iii) the mortgagee must not exercise its power of sale without the prior written consent of the CPF Board (such consent not to be unreasonably withheld);
- (iv) the mortgagee must not create any sub-mortgage or effect a transfer or assignment of the mortgage or make any application to Court for a foreclosure order without the prior written consent of the CPF Board;
- (v) the mortgagee shall ensure that every sub-mortgagee or transferee or assignee of the mortgagee has notice of the various requirements and agrees with the CPF Board to observe and comply with and be bound by such terms; and
- (vi) the mortgagee is entitled to have possession of the documents of title relating to the mortgaged property and is obliged to produce the same when required by the CPF Board.

Under the current policy of the CPF Board, if the property is sold at or above the fair market value and the proceeds are insufficient to (1) repay the outstanding housing loan together with interest calculated up to the date of default under the mortgage (or, if there is no such default, the date of disposal of the property) owing to the mortgagee and (2) refund such sums withdrawn from the mortgagor's CPF account(s) for the

acquisition or financing of the property, the CPF Board does not require any top up of such shortfall owing to the CPF Board.

Other Statutory Charges, Property Tax and Estate Duty

Other statutory charges may exist in respect of the private residential properties, and these statutory charges have priority over the registered mortgage.

Property Tax

In Singapore, a yearly property tax is payable by the owner of a private residential property (which includes a mortgagee in possession who is entitled to receive rent from the property) in advance in January each year (unless the tax authority permits extension of time or payment by instalments). The amount of such yearly property tax is calculated based on a rate specified by the tax authority yearly upon the annual value of such property as assessed by the tax authority. Under the Property Tax Act 1960 of Singapore (the "**Property Tax Act**") such property tax constitutes a first charge on the relevant property.

The tax authority has several remedies against the owner under the Property Tax Act for failure to pay such property tax, including the power to impose a penalty for non-payment of such tax and the right to sue for the recovery of the tax and the penalty levied. For recovery of arrears, the tax authority is entitled to seize and sell by public auction any movable properties found on the property in respect of which the arrears are due. If the value of the movable properties as estimated by the tax authority is insufficient to realise the sum required to satisfy the arrears and costs, the tax authority may also sell by public auction the property in respect of which the arrears are due after having served or published notice of its intention to sell and after the expiration of three months from the date of such notice. Under the Property Tax Act, the title conferred on a purchaser acquiring the property from the tax authority is deemed to be free from all encumbrances and from all subordinate interests deriving from it, including the registered mortgage, unless expressly reserved by the Comptroller of Property Tax at the time of the sale. If the property is sold, the arrears of property tax together with interest thereon at such rate as may be prescribed by the tax authority and the costs of recovery will be satisfied first. The tax authority will pay any surplus remaining thereafter to all such persons who have made claims on such surplus if the tax authority is satisfied as to the right of each such person.

However, the tax authority must desist from proceeding further with the sale of the property if a person who has interest in the property settles all arrears with interests and costs with the tax authority.

Estate Duty

Singapore abolished the levy of estate duty with effect from 15 February 2008, and the Estate Duty Act 1929 of Singapore (the "**Estate Duty Act**") will apply only in relation to persons who died before 15 February 2008.

Under the Estate Duty Act, estate duty is payable in respect of any property passing on the death of a person and such duty constitutes a first charge on the immovable properties of such deceased person. However, after the expiration of 12 years from the death of the deceased person, such immovable property will not be charged with such estate duty as against a purchaser for valuable consideration or a mortgagee.

The tax authority is empowered under the said Act to impose interest and penalty in respect of any outstanding estate duty and is entitled to recover the same under the Estate Duty Act. Upon full settlement of the estate duty, the tax authority must, when required by the person accounting for the estate duty, give a certificate confirming the full settlement of such duty, which certificate shall discharge the property from any further claim of estate duty.

DESCRIPTION OF THE SINGAPORE COVERED BOND REGIME

The issuance of covered bonds is subject to requirements prescribed by the MAS, as set out in MAS Notice 648, which was issued on 31 December 2013 and last revised on 16 May 2024.

MAS Notice 648 prescribes various requirements relating to, among other things, pool assets, cover pool monitors and risk management processes. In this regard, banks have various initial and ongoing obligations under MAS Notice 648 and are responsible for ensuring they comply with them.

In particular, MAS Notice 648 includes requirements:

- (i) that the aggregate value of assets in cover pools for all covered bonds issued by a bank itself, through a special purpose vehicle (an "SPV"), or both the bank and the SPV, and of assets transferred to the SPV that are capable of being included in the cover pool but do not in fact form part of the cover pool shall not exceed 10% of the value of the total assets (subject to certain deductions) of that bank at all times;
- (ii) that the cover pool asset class may only include:
 - (a) residential mortgage loans;
 - (b) any other loans secured by the same residential property as the residential mortgage loans;
 - (c) assets, including intangible properties that form part of all the security provided for the residential mortgage loans (such as guarantees and indemnities);
 - (d) any interest held by the bank as trustee or replacement trustee for the SPV in relation to the residential mortgage loans or the assets referred to in (ii)(b) to (ii)(c);
 - (e) derivatives held for the purpose of hedging risks arising from the particular issuance of covered bonds;
 - (f) cash (including foreign currency);
 - (g) Singapore Government Securities (as defined in MAS Notice 648); and
 - (h) MAS Bills (as defined in MAS Notice 648).

The Notice also provides that the aggregate value of the cash (including foreign currency), Singapore Government Securities and MAS Bills in the cover pool cannot exceed 15% of the aggregate value of all the assets in the cover pool (subject to certain exceptions for example where such cash and securities are held in view of payment obligations due and payable within the next 12 months). A bank incorporated in Singapore is also required to use only its own assets, and not that of other entities in the banking group, to form the cover pool;

- (iii) on minimum overcollateralisation (the aggregate value of assets in a cover pool must be at least 103% of the outstanding nominal amount of the covered bonds secured by the assets at all times). The Notice specifies certain haircuts on valuation of residential mortgage loans included in the cover pool when calculating such overcollateralisation;
- (iv) on the bank to conduct valuations on the residential properties used to secure the loans, on an annualised basis at the minimum;
- (v) on the bank to put in place adequate risk management processes and internal controls to manage the risks arising from the issuance of covered bonds. This includes:
 - (a) having in place appropriate governance arrangements (such as identifying the approval authority within the bank (or the SPV, where the bank uses an SPV to issue covered bonds) with respect to the covered bond programme), performing regular (and in any case, annually) asset coverage tests to ensure collateral quality and the proper level of overcollateralisation, conducting regular stress tests on risks arising from issuing covered bonds such as default, pre-payment, currency, interest rate, counterparty and liquidity risks. The bank or SPV is required to ensure that its board and senior management or trustee, as

the case may be, are responsible for conducting due diligence in assessing the risks associated with issuing covered bonds and ensuring that risk management processes that are put in place for covered bonds are adhered to. The bank or the SPV is required to disclose to the covered bondholders results of the asset coverage tests performed and cover pool characteristics on a regular basis (and in any event, quarterly); and

- (b) appointing a cover pool monitor (being a qualified external auditor) for the programme to, among other things, verify annually that the bank or the SPV has complied with the requirements on the composition of the assets in the cover pool and keeps an accurate register of the assets in the cover pool, assess the adequacy of the bank's or the SPV's risk management process and internal controls relating to the covered bond programme annually, submit a certified report annually to the MAS and report to the MAS immediately if it becomes aware that the bank or the SPV has breached any of the conditions imposed by the MAS;
- (c) obtaining a legal opinion that the assets in the cover pool are beyond the bank's reach and the reach of the bank's creditors, even in insolvency; and
- (d) when transferring the legal right to, or perfecting the assignment of assets comprising the cover pool, disclosing the consequences of such transfer or assignment to each borrower whose residential mortgage loan or asset is transferred.

Covered bond issuers are also subject to various information requirements *vis-à-vis* the MAS.

THE LOANS AND THE PORTFOLIO

The Loans sold to the Covered Bond Guarantor pursuant to the Mortgage Sale Agreement or, as the case may be, the Declaration of Assets Trust will consist of Loans originated by the Seller. The types of Loans, their key features and the origination, approval, underwriting and enforcement processes of the Seller are summarised below. The features of the Loans and these processes may change from time to time. See also the sections *"Risk Factors – Risks Relating to the Covered Bond Guarantor – The constitution of the Portfolio will frequently change"* and *"Risk Factors – Risks Relating to the Covered Bond Guarantor – The Lending Criteria may be revised by the Seller"*.

Types of Loans offered by the Seller to Borrowers and/or Mortgagors

The Seller offers a variety of Loans to Borrowers and/or Mortgagors. Subject to the Loan satisfying, *inter alia*, the Eligibility Criteria (as defined below), the Seller may assign to the Covered Bond Guarantor any of the following types of Loans which have been previously offered or are currently on offer, as well as any New Loan Types (subject to obtaining a Rating Agency Confirmation) that may be offered in future:

- (a) Loans which interest rates are indexed to any of the Singapore Overnight Rate Average ("**SORA**") or one of several internally-set rates, including but not limited to rates referencing the Seller's fixed deposit rates (collectively "**Board Rates**"), with a spread over the index rate which may be fixed or varying over the life of the Loan ("**Standard Variable Rate Loans**");
- (b) Loans which are subject to a fixed interest rate for a specified period of time (usually a period of one, two, three or five years) and at the expiration of that period are generally subject to an interest rate indexed to the rates referred to in paragraph (a) above, with a spread over the index rate which may be fixed or varying over the remaining life of the Loan ("**Standard Fixed Rate Loans**"); and
- (c) Loans which are subject to a fixed interest rate for a specified period of time (usually a period of one, two, three or five years) following which the Borrower and/or the Mortgagor has the choice of extending the same fixed interest rate for another specified period of time (usually a period of one, two, three or five years). The Loan is converted to a Standard Variable Rate Loan if the extension option is not taken up, or, if the extension option is taken, after the second fixed rate period expires.

Key features of the Loans

The key commercial features of the Loans are as follows:

- (a) they may be advanced or granted by the Seller to the Borrower and/or the Mortgagor for financing or refinancing the purchase or acquisition of a Property;
- (b) they are available to owner occupiers or investors;
- (c) they are each secured by a mortgage over a private residential property only (which includes bungalows, detached houses, semi-detached houses, terrace houses, apartments, cluster housing, town houses and other types of residential properties that are not managed by HDB);
- (d) certain Loans enable a Borrower and/or a Mortgagor to take out a further advance up to the then-permitted LTV per cent (when aggregated with the then Principal Balance of the Loan), subject to the Seller's discretion and evaluation of the Borrower's and/or the Mortgagor's status, lending and product criteria;
- (e) for certain types of Loans, Early Repayment Charges may be applicable;
- (f) overpayments may be made on any portion of a Loan either regularly or as a lump sum;
- (g) some Loans allow for lump sum payments to be made which may be capped at a specific annual amount or multiple amounts, depending on the type of Loan;
- (h) interest on the Loans accrues daily; and
- (i) the Seller reserves the right to amend the Mortgage Conditions from time to time.

Repayment terms of the Loans

Borrowers and/or Mortgagors typically make monthly payments of interest and repay principal on their Loans so that the Loan will be fully repaid on its maturity date.

The required payment due on each monthly payment date in respect of a Loan may vary from month to month for various reasons, including changes in interest rates.

Early Repayment Charges

Certain Loans in the Portfolio have a specified time period in the applicable Mortgage Conditions, during which if a Loan is partially or fully repaid, the relevant Borrower and/or Mortgagor will be subject to an Early Repayment Charge.

Security in respect of the Loans

Each Loan is secured by a charge by way of a first ranking legal mortgage (save for (a) any charge registered or notified by the CPF Board in respect of the withdrawal of CPF Funds from the relevant Mortgagor's account(s) with the CPF Board, (b) any statutory charge in favour of the tax authority in respect of unpaid property taxes, (c) any charge registered in favour of the relevant management corporation in connection with the Property in respect of unpaid amounts or contributions, (d) any statutory charge in favour of the tax authority in respect of unpaid estate duty (where applicable) and (e) any other charges arising under any written law) over a private residential property located in Singapore and is governed by a Loan Agreement which is subject to Singapore law.

Insurance policies relating to the Loans

The Mortgage Conditions require that a fire insurance policy be arranged by or on behalf of the Borrower or (if different) the Mortgagor for each Property. If the Borrower or Mortgagor fails to take up or maintain such insurance as required by the Seller, or fails to pay the premium of any such insurance, the Seller may at its discretion effect, take up or maintain such insurance at the cost and expense of the Borrower or Mortgagor.

The Seller may apply any monies received under any such insurance in or towards the repair or reinstatement of the Property, as the case may be, or towards payment of the Loan secured by the Mortgage whether or not due.

Investment Properties

As stated above (see "*Key Features of the Loans*"), the Loans are available to owner occupiers or investors. Pursuant to the terms of the relevant Mortgage Conditions (which are applicable to Loans in respect of both owner-occupied and investment Properties), Borrowers or Mortgagors may, with the consent of the Seller and subject to conditions as may be imposed by the Seller, lease out the relevant Property or part thereof. In the event the Seller (i.e. the mortgagee) exercises its power of sale in respect of such Property, the sale may be subject to such tenancies and the Property may therefore have to be sold without vacant possession.

The following are examples of conditions which may be imposed (as of the date of this Offering Memorandum) by the Seller in respect of any proposed leasing of an investment Property:

- (a) the tenant of the Property uses the Property for residential use only; or, in the case where the tenant is a company, the Property is used as residence of the tenant's employees only; and
- (b) the Property is not used for running a business as a boarding house, and that borrowers or mortgagors comply with all applicable laws and regulations relating to the leasing of the Property by them.

Origination of the Loans

The Seller currently derives its mortgage lending business from the following sources:

- (a) mortgage intermediaries;

- (b) directly from Borrowers or Mortgagors; and
- (c) referrals from internal staff or external clients.

In both cases, the Seller performs the relevant evaluations on a potential Borrower or Mortgagor based on, *inter alia*, the Lending Criteria to determine whether or not to offer a Loan.

The Seller competes mainly in the private residential and resale HDB mortgage market. The Seller focuses on the priority segment within these markets, though it continuously reviews its business strategy to suit economic or regulatory changes in the Singapore residential mortgage market and the broader economic environment. For the avoidance of doubt, Loans that are secured by a mortgage over HDB Property do not meet the Eligibility Criteria and are excluded from the Portfolio.

Approval and Underwriting

The Seller uses a centralised rule-based loan origination system for all Loan applications to facilitate its loan approval processing. Loan applications are reviewed by the Seller's credit initiation officers. Applications that do not strictly qualify under the Seller's standard acceptance criteria are assessed by credit risk managers or credit initiation managers with delegating approval authority, including the authority to approve deviations from the Seller's standard acceptance criteria, and such applications may be approved if doing so does not breach regulatory guidelines. The level of approval authority is established according to each credit risk manager's rank and experience.

The Seller regularly reviews the way in which it conducts its loan origination business in order to ensure that it remains up to date and cost effective in a highly competitive market. The Seller may therefore change its origination processes from time to time. However, the Seller will retain exclusive control over the approval and underwriting policies and the Lending Criteria to be applied to the origination of each Loan. The Seller's approval, underwriting and processing of Loans are independent from the process by which the Seller's Loans are originated.

Lending Criteria

Each Loan was, or as the case may be, will be, originated according to the Seller's Lending Criteria applicable at the time the Loan was offered or will be offered. The Lending Criteria as of the date of this Offering Memorandum are the same as, or substantially similar to, the criteria described in this section. However, the Seller retains the right to revise its Lending Criteria from time to time as a Reasonable, Prudent Mortgage Lender would. Accordingly, the criteria applicable to future Loans may not be the same as those used as of the date of this Offering Memorandum.

When applying for a Loan, the applicant is required to provide certain information to the Seller, including information about the applicant's income, current employment details, current mortgage information, if any, and certain other personal information. In addition to credit checks against its own internal database, the Seller completes a credit bureau search (as at the date of this Offering Memorandum, provided by Credit Bureau (Singapore) Pte Ltd) in all cases against each applicant, which gives details of the relevant applicant's payment and delinquency history, if any.

Some of the factors currently used in making a lending decision are as follows:

Income details

In determining an applicant's income, the applicant's basic salary along with performance or profit related pay, allowances, overtime, bonuses and commission may be included.

Evidence of an applicant's income such as pay slips, bank statements showing salary crediting or income tax notice of assessments are generally obtained to assess an applicant's debt-servicing ability. Where necessary or appropriate, information such as the assets-under-management of the applicant and/or know-your-client checks on the applicant's other source(s) of repayments are also obtained. In general, assessment of an applicant's repayment ability includes a review of the debt burden and income of a single borrower, or combined income of joint borrowers.

Valuation

A valuation of the property to be mortgaged is required from independent valuation companies selected from the Seller's panel of approved valuers. The Seller gets two indicative valuations for each loan application and the lower of the two is used. Upon acceptance of a Loan offer, the Seller obtains a formal valuation report from the valuer. This valuation report is required to have evidence of on-site inspection, and derivation of the current market value is to be based on the direct comparison method, with a minimum number of sales comparables required specified. A revaluation of the property generally does not occur after origination.

Property types

Under the criteria applied in determining the eligibility of properties to serve as security for Loans, both freehold and leasehold properties are included. In the case of leasehold properties, the unexpired term of the lease must generally be for at least 30 years after the end of the agreed mortgage term.

Loan-to-value limits

Please refer to the section titled "*Regulation/legal aspects of the Singapore residential mortgage market – Loan-to-value ratios and borrower's contribution*".

Term

A Loan term of up to 35 years, subject to regulatory requirements, may be extended.

Age of applicant

As per SCBSL's underwriting policy, all borrowers must be at least 21 years old.

Status of applicant(s)

When assessing a Loan application, the Seller's key requirement is to establish that the applicant can afford to repay the proposed Loan. The Seller ensures that the proposed monthly payments are affordable from the applicant's income, or other resources, and takes into account the applicant's other financial commitments. The maximum loan amount is determined by a number of factors, including the total debt servicing ratio of the applicant (i.e. the ratio of the applicant's total debt to the applicant's income) and the LTV per cent of the Loan. The detailed requirements on the total debt servicing ratios and the LTV per cent are set out in MAS Notice 645 and MAS Notice 632 respectively. MAS Notice 632 also sets out tenure restrictions on Residential Property loans. For further information, see "*Regulation/Legal Aspects of the Singapore Residential Mortgage Market – Regulation Aspects of the Singapore Residential Mortgage Market*", "*Regulation/Legal Aspects of the Singapore Residential Mortgage Market – Loan-to-value ratios and borrower's contribution*" and "*Regulation/Legal Aspects of the Singapore Residential Mortgage Market – Restrictions on tenure*".

Seller's discretion to lend outside its Lending Criteria

On a case-by-case basis, and within approved limits as detailed in the "*Approval and Underwriting*" section above, the Seller may have determined an applicant that did not strictly qualify under its Lending Criteria at that time warranted an underwriting deviation. The Seller will take into account the extent of the deviation as well as compensating factors such as, but not limited to, LTV per cent, available assets-under-management of the applicant, the applicant's profile and repayment history and the applicant's past relationship with the Seller.

Collection and enforcement procedures

Pursuant to the terms of the Loan Agreements, Borrowers and/or Mortgagors must make the minimum repayment due on each monthly payment date applicable to the relevant Loan. A Loan is subject to collection action when the monthly repayment is not fully paid by the monthly payment date.

The Seller's automated retail loan system identifies all Loan Accounts which are in arrears. These accounts are sent to the Seller's collection system which allocates overdue loans to the Seller's designated collection officers who take action in relation to the arrears.

Actions taken by the Seller in relation to delinquent accounts will vary depending on the number of days the Loan is in arrears. Initially, if a Borrower or a Mortgagor has not made a payment on the due date, that Borrower or that Mortgagor will receive reminder(s) from the Seller. If such arrears remain unpaid the Seller will attempt to contact the relevant Borrower by telephone and letter to establish the Borrower's or the Mortgagor's circumstances and to agree on an arrangement to return the Borrower's or the Mortgagor's account to order, where possible. Where a satisfactory arrangement cannot be reached or maintained, possession proceedings may be instigated to enable the Seller to enforce its security. This is typically initiated no later than the 120th day of delinquency. Recovery action is arranged by experienced collections staff in conjunction with external legal advisers. A number of sources of recovery are pursued, including a voluntary sale of the Property by the Mortgagor, a repossession and subsequent sale of the property by the Seller (as mortgagee) and action against the Borrower and/or the Mortgagor personally.

Seller's historical loan performance

The following table summarises, in respect of the Seller's private residential property mortgage portfolio, the loans in arrears for 30 days and over as at the dates indicated. Loans sold into the Portfolio must meet the Eligibility Criteria (see "*Summary of the Principal Documents – Mortgage Sale Agreement*") on the Relevant Closing Date, including that such Loan must not be in arrears of 30 days or more.

	As at 31 December		
	2023	2024	2025
Overall portfolio (S\$ million)	19,090.93	17,758.09	19,824.09
Delinquent loans (S\$ million)	29.07	30.07	26.47
Delinquent as % of portfolio (%)	0.15	0.16	0.13

CPF Loans and Non-CPF Loans

"**CPF Loan**" means all loans granted by the Seller to a Borrower or a Mortgagor (as the case may be) which are secured by the same Mortgage over a Property, in respect of which:

- (a) the CPF Withdrawal Approval has been obtained prior to the Cut-off Date in respect of such loans; and
- (b) the CPF Board's prior consent to the transfer or assignment of the Mortgage over such Property securing such loans is required in order for the Covered Bond Guarantor and any transferee of such Mortgage (as may be contemplated under the terms of the Transaction Documents) to be accorded the priority of payments over the CPF Board in relation to the application of any proceeds from the realisation of such Property (and such CPF Board's consent is not obtained prior to the Cut-off Date in respect of such loans),

and which are sold by the Seller and purchased by the Covered Bond Guarantor from time to time and which are held on trust by the Assets Trustee under the terms of the Declaration of Assets Trust for the CBG Beneficiary, and comprise the aggregate of all principal sums, interest, costs, charges, expenses and other monies due or owing with respect to or apportioned to such loans under the relevant Mortgage Conditions by such Borrower or Mortgagor (as the case may be) on the security of the Mortgage over such Property from time to time outstanding, or, as the context may require, such Borrower's or Mortgagor's obligations in respect of the same but excluding any loan which is repurchased by the Seller or otherwise sold by the Covered Bond Guarantor and no longer beneficially owned by the CBG Beneficiary (including, for the avoidance of doubt, any loan in respect of which the CBG Beneficiary has assigned absolutely its beneficial interest pursuant to the provisions of the Declaration of Assets Trust). For the avoidance of doubt, no loan referred to above shall be construed or deemed to be a Top-up Loan.

"**Non-CPF Loan**" means:

- (a) all loans granted by the Seller to a Borrower or a Mortgagor (as the case may be) which are secured by the same Mortgage over a Property, in each case in respect of which there is no CPF Withdrawal Approval; or

- (b) all loans granted by the Seller to a Borrower or a Mortgagor (as the case may be) which are secured by the same Mortgage over a Property, in respect of which:
 - (i) the CPF Withdrawal Approval has been obtained prior to the Cut-off Date in respect of such loans; and
 - (ii) the CPF Board's prior consent to the transfer or assignment of the Mortgage over such Property securing such loans is not required (as at the Cut-off Date in respect of such loans) in order for the Covered Bond Guarantor and any transferee of such Mortgage (as may be contemplated under the terms of the Transaction Documents) to be accorded the priority of payments over the CPF Board in relation to the application of any proceeds from the realisation of such Property; or
- (c) all loans granted by the Seller to a Borrower or a Mortgagor (as the case may be) which are secured by the same Mortgage over a Property, in respect of which:
 - (i) the CPF Withdrawal Approval has been obtained prior to the Cut-off Date in respect of such loans; and
 - (ii) the CPF Board's prior consent to the transfer or assignment of the Mortgage over such Property securing such loans is required in order for the Covered Bond Guarantor and any transferee of such Mortgage (as may be contemplated under the terms of the Transaction Documents) to be accorded the priority of payments over the CPF Board in relation to the application of any proceeds from the realisation of such Property (and such CPF Board's consent is obtained prior to the Cut-off Date in respect of such loans),

which, in each case, is sold and assigned by the Seller to the Covered Bond Guarantor from time to time under the terms of the Mortgage Sale Agreement and is purchased by the Covered Bond Guarantor, and comprises the aggregate of all principal sums, interest, costs, charges, expenses and other monies due or owing with respect to or apportioned to that loan under the relevant Mortgage Conditions by a Borrower or a Mortgagor (as the case may be) on the security of the Mortgage over such Property from time to time outstanding, or, as the context may require, the Borrower's or the Mortgagor's obligations in respect of the same but excluding any loan which is repurchased by the Seller or otherwise sold by the Covered Bond Guarantor and no longer beneficially owned by it. For the avoidance of doubt, no loan referred to under limbs (a), (b) and (c) above shall be construed or deemed to be a Top-up Loan. Converted Loans shall be deemed to continue to be Non-CPF Loans, subject to certain provisions of the Transaction Documents dealing with such Converted Loans only.

SUMMARY OF THE PRINCIPAL DOCUMENTS

Introduction

The principal Transaction Documents described in this section are the:

- (a) Bond Trust Deed;
- (b) Intercompany Loan Agreement;
- (c) Mortgage Sale Agreement;
- (d) Declaration of Assets Trust;
- (e) Servicing Agreement;
- (f) Asset Monitor Agreement;
- (g) Establishment Deed;
- (h) Cash Management Agreement;
- (i) Subordinated Loan Agreement;
- (j) Ancillary Intercompany Loan Agreement;
- (k) Interest Rate Swap Agreement(s) (if any);
- (l) Covered Bond Swap Agreement;
- (m) Bank Account Agreement;
- (n) Corporate Services Agreement; and
- (o) Deeds of Charge.

Bond Trust Deed

The Bond Trust Deed, made among the Issuer, the Covered Bond Guarantor, the Bond Trustee and the Security Trustee on the Programme Date, is the principal agreement governing the Covered Bonds. The Bond Trust Deed contains provisions relating to, *inter alia*:

- (a) the constitution of the Covered Bonds and the terms and conditions of the Covered Bonds (as more fully set out under "*Terms and Conditions of the Covered Bonds*" above);
- (b) the covenants of the Issuer and the Covered Bond Guarantor;
- (c) the terms of the Covered Bond Guarantee (as described below);
- (d) the enforcement procedures relating to the Covered Bonds and the Covered Bond Guarantee; and
- (e) the appointment, powers and responsibilities of the Bond Trustee and the circumstances in which the Bond Trustee may resign, retire or be removed.

Covered Bond Guarantee

Under the terms of the Covered Bond Guarantee, if the Issuer defaults in the payment on the due date of any monies due and payable under or pursuant to the Bond Trust Deed or the Covered Bonds or any Receipts or Coupons (subject to certain grace periods), if any other Issuer Event of Default occurs (other than by reason of non-payment) or if a Covered Bond Guarantor Event of Default occurs, the Covered Bond Guarantor has agreed (subject as described below) to pay or procure to be paid (following service of an Issuer Acceleration Notice and Notice to Pay or, if applicable, a Covered Bond Guarantor Acceleration Notice) unconditionally and irrevocably to or to the order of the Bond Trustee (for the benefit of the Covered Bondholders), an amount equal to that portion of the Guaranteed Amounts which shall become

Due for Payment but would otherwise be unpaid, as of any Original Due for Payment Date or, if applicable, Extended Due for Payment Date, by the Issuer. Under the Covered Bond Guarantee, the Guaranteed Amounts will become due and payable on any earlier date on which a Covered Bond Guarantor Acceleration Notice is served.

Following the occurrence of an Issuer Event of Default and after the Covered Bonds have been declared due and payable by the Bond Trustee as against the Issuer following service of an Issuer Acceleration Notice, the Bond Trustee will serve a Notice to Pay on the Covered Bond Guarantor. Payment by the Covered Bond Guarantor of the Guaranteed Amounts pursuant to the Covered Bond Guarantee will be made on the later of: (i) the day which is two Business Days following service of a Notice to Pay on the Covered Bond Guarantor; or (ii) the day on which the Guaranteed Amounts are otherwise Due for Payment.

All payments of Guaranteed Amounts by or on behalf of the Covered Bond Guarantor will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or other governmental charges of whatever nature, unless the withholding or deduction of such taxes, assessments or other governmental charges is required by law or regulation or administrative practice of Singapore or any political subdivision thereof or any authority therein or thereof having the power to tax. If any such withholding or deduction is required, the Covered Bond Guarantor will pay the Guaranteed Amounts net of such withholding or deduction and shall account to the appropriate tax authority for the amount required to be withheld or deducted. The Covered Bond Guarantor will not be obliged to pay any amount to the Bond Trustee or any holder of Covered Bonds in respect of the amount of such withholding or deduction. If any withholding or deduction arises under or in connection with FATCA, the Covered Bond Guarantor will not be required to pay any amount under the Covered Bond Guarantee on account of such withholding or deduction. Under the terms of the Covered Bond Guarantee, the Covered Bond Guarantor agrees that its obligations under the Covered Bond Guarantee shall be as principal debtor and not merely as surety and shall be absolute and unconditional, irrespective of, and unaffected by, any invalidity, irregularity or unenforceability of, or defect in, any provisions of the Bond Trust Deed or the Covered Bonds or Receipts or Coupons or the absence of any action to enforce the same or the waiver, modification or consent by the Bond Trustee or any of the Covered Bondholders, Receiptholders or Couponholders in respect of any provisions of the same or the obtaining of any judgment or decree against the Issuer or any action to enforce the same or any other circumstances which might otherwise constitute a legal or equitable discharge or defence of a guarantor.

Subject to the grace period specified in Condition 9(b)(i) (*Covered Bond Guarantor Events of Default*), failure by the Covered Bond Guarantor to pay the Guaranteed Amounts when Due for Payment will result in a Covered Bond Guarantor Event of Default.

The Bond Trust Deed provides that the Excess Proceeds shall be paid by the Bond Trustee on behalf of the Covered Bondholders of the relevant Series to the Covered Bond Guarantor for its own account, as soon as practicable, and shall be held by the Covered Bond Guarantor in the Transaction Account and the Excess Proceeds shall thereafter form part of the Security and shall be used by the Covered Bond Guarantor in the same manner as all other monies from time to time standing to the credit of the Transaction Account. Any Excess Proceeds received by the Bond Trustee shall discharge *pro tanto* the obligations of the Issuer in respect of the Covered Bonds, Receipts and Coupons. However, the obligations of the Covered Bond Guarantor under the Covered Bond Guarantee are (following service of an Issuer Acceleration Notice and Notice to Pay or, if earlier, service of a Covered Bond Guarantor Acceleration Notice) unconditional and irrevocable and the receipt by the Bond Trustee of any Excess Proceeds shall not reduce or discharge any such obligations.

By subscribing for Covered Bond(s), each Covered Bondholder shall be deemed to have irrevocably directed the Bond Trustee to pay the Excess Proceeds to the Covered Bond Guarantor in the manner as described above.

The Bond Trust Deed is governed by English law, save that defined terms incorporated by reference from the Master Definitions Agreement shall be governed by and construed in accordance with Singapore law.

Fees and expenses

The Issuer and, after the service of a Notice to Pay on the Covered Bond Guarantor, the Covered Bond Guarantor, will pay certain fees to the Bond Trustee and the Security Trustee and will reimburse them for all their costs and expenses properly incurred in acting as Bond Trustee or Security Trustee (as the case

may be) and in addition shall indemnify them in respect of all claims, actions, proceedings, demands, liabilities, losses, damages, costs and expenses suffered as a result of the Issuer (or, following service of a Notice to Pay on the Covered Bond Guarantee, the Covered Bond Guarantor) failing to perform any of its obligations under the Transaction Documents.

Any remuneration, costs and expenses paid by the Covered Bond Guarantor to the Bond Trustee and the Security Trustee shall be paid subject to and in accordance with the Guarantee Priority of Payments or the Post-Enforcement Priority of Payments, as applicable.

The Security Trustee may, in certain circumstances undertake duties of an exceptional nature or otherwise outside the scope of its normal duties as set out in the Deeds of Charge, in which case the Issuer or the Covered Bond Guarantor shall pay to the Security Trustee such additional remuneration as shall be agreed between the Security Trustee and the Covered Bond Guarantor.

Neither the Issuer nor the Covered Bond Guarantor will be responsible under the Deeds of Charge or the Bond Trust Deed to the Bond Trustee or the Security Trustee for any liabilities, losses, damages, costs or expenses resulting from the fraud, gross negligence or wilful default on the part of the Bond Trustee or the Security Trustee or any of its officers and employees.

Intercompany Loan Agreement

General

Under the terms of the Intercompany Loan Agreement, the Issuer as intercompany loan provider (the "**Intercompany Loan Provider**") agrees to make available to the Covered Bond Guarantor and the CBG Beneficiary, on a secured basis, an intercompany loan facility in an aggregate amount equal to the Intercompany Loan Facility Amount. The initial Advance will be at least an amount sufficient to acquire the Non-CPF Loans and their Related Security in the Initial Portfolio and an interest in the Trust Assets comprising of the CPF Loans and their Related Security in the Initial Portfolio. The Intercompany Loan comprises a guarantee loan portion (the "**Guarantee Loan**") and a demand loan portion (the "**Demand Loan**") and is denominated in Singapore dollars. The interest rate on each Advance under the Intercompany Loan is such rate of interest per annum to be determined by the Intercompany Loan Provider from time to time. The aggregate amount of interest payable under the Intercompany Loan in respect of any interest period shall not exceed: (a) the aggregate of: (i) the sum of all Revenue Receipts received by the Covered Bond Guarantor and the CBG Beneficiary and the amount payable by the Interest Rate Swap Provider (if any) to the Covered Bond Guarantor and the CBG Beneficiary (after any netting or set-off) under the Interest Rate Swap (if any) (without any double counting); (ii) all Revenue Receipts received by the Covered Bond Guarantor and the CBG Beneficiary in respect of Defaulted Loans and Loans in respect of which there have been missed payments; and (iii) the interest received on the CBG Accounts, Authorised Investments and Substitution Assets for the corresponding Collection Period; less (b) an amount equal to the amount of the CBG Expenses (without double counting any amount payable by the Covered Bond Guarantor and the CBG Beneficiary to the Interest Rate Swap Provider (if any) under the Interest Rate Swap (if any)), other than: (i) interest payable under the Intercompany Loan; and (ii) any interest amounts due and payable in respect of the Subordinated Advances to the Intercompany Loan Provider, pursuant to the terms of the Subordinated Loan Agreement, for the corresponding Collection Period.

Calculation of the Demand Loan and Guarantee Loan

The Guarantee Loan, at any relevant time, is in an amount equal to: (A): (I) the SGD Equivalent of the outstanding nominal amount of the Covered Bonds at that time; plus (II) an amount equal to the aggregate principal amount outstanding (or, in the case of assets in the form of Loans (other than Converted Loans and Affected BB Loans), the Principal Balance) of additional assets in excess of (I) above, as required to satisfy (and determined in accordance with) the Asset Coverage Test, minus (B) the outstanding principal amount of the Subordinated Loan (excluding, for the avoidance of doubt, interest and other non-principal amounts thereunder). The Guarantee Loan will be repaid in accordance with the applicable Priority of Payments and at all times repayment of the Demand Loan is provided for in priority to repayment of the Guarantee Loan, as described below. Following service of a Notice to Pay or Covered Bond Guarantor Acceleration Notice, repayment of the Guarantee Loan is subordinated in the applicable Priority of Payments to payments in respect of the Covered Bond Guarantee in accordance with such Priority of Payments.

The Demand Loan at any relevant time will be equal to the difference between the outstanding principal amount of the Intercompany Loan and the principal amount of the Guarantee Loan at that time. Except as described below, the respective balances of the Guarantee Loan and the Demand Loan will fluctuate according to the requirements of the Asset Coverage Test (see "*Establishment Deed – Asset Coverage Test*" below) and with the issuances and redemptions of Covered Bonds.

If a Notice to Pay or a Covered Bond Guarantor Acceleration Notice is served on the Covered Bond Guarantor or a Demand Loan Repayment Event occurs, then the amount of the Demand Loan and the Guarantee Loan will be fixed as described in "*Intercompany Loan Agreement – Repayment of the Demand Loan*" below.

Purpose

The Covered Bond Guarantor or, as the case may be, the CBG Beneficiary will use the initial Advance to acquire: (i) the Non-CPF Loans and their Related Security in the Initial Portfolio from the Seller in accordance with the terms of the Mortgage Sale Agreement; and (ii) an interest in the Trust Assets comprising CPF Loans and their Related Security in the Initial Portfolio contributed by the Seller in accordance with the Declaration of Assets Trust and if the initial Advance exceeds the initial Purchase Price, make a deposit of the excess amount of the initial Advance in the Transaction Account, and will use additional Advances:

- (a) to purchase New Loans which are Non-CPF Loans and their Related Security from the Seller, from time to time, in accordance with the terms of the Mortgage Sale Agreement; and/or
- (b) to make Additional Contributions to the Assets Trustee to acquire New Loans which are CPF Loans and their Related Security from the Seller pursuant to the terms of the Declaration of Assets Trust; and/or
- (c) to invest in Authorised Investments and/or Substitution Assets, in each case, in accordance with the Establishment Deed; and/or
- (d) subject to written confirmation from the Cash Manager that the Asset Coverage Test is met on the relevant drawdown date (both before and immediately following the making of the relevant Advance), to repay Subordinated Advances, if any, under the Subordinated Loan Agreement; and/or
- (e) to make a deposit of the proceeds in the Transaction Account (including, without limitation, to fund the Reserve Fund and/or the Pre-Maturity Liquidity Ledger, in each case in accordance with the Establishment Deed).

At any time prior to an Issuer Event of Default, a Covered Bond Guarantor Event of Default or a Demand Loan Repayment Event, the Covered Bond Guarantor may re-borrow any amount repaid by the Covered Bond Guarantor under the Intercompany Loan for a permitted purpose.

Deemed advances ("**Deemed Advances**") will also arise under the Intercompany Loan if, as at any Calculation Date:

- (a) the Principal Balance of a Loan comprised in the Portfolio increases as a result of Capitalised Interest or any other increase in the Principal Balance of that Loan; or
- (b) there is a Deemed Subordinated Advance outstanding,

and, in each case, the Deemed Advance Preconditions are satisfied on the relevant Calculation Date.

The "**Deemed Advance Preconditions**" are:

- (a) the aggregate outstanding principal amount of Advances after giving effect to such Deemed Advance does not exceed the Intercompany Loan Facility Amount; and
- (b) no Issuer Event of Default, Covered Bond Guarantor Event of Default or Demand Loan Repayment Event has occurred and is outstanding on the relevant Calculation Date or CBG Payment Date (as applicable) or would result from the Deemed Advance.

If any of the Deemed Advance Preconditions have not been satisfied on the relevant Calculation Date or CBG Payment Date (as applicable), then the amount that would otherwise have constituted a Deemed Advance will, instead, constitute a Deemed Subordinated Advance under the Subordinated Loan Agreement. If, however, as of a subsequent Calculation Date, any Deemed Subordinated Advance(s) satisfies the Deemed Advance Preconditions as of that Calculation Date, such Deemed Subordinated Advance(s) will be deemed to be a Deemed Advance(s) under the Intercompany Loan.

Unless otherwise agreed by the Intercompany Loan Provider, no Advances will be made to the Covered Bond Guarantor following the occurrence of an Issuer Event of Default, a Covered Bond Guarantor Event of Default or a Demand Loan Repayment Event.

The Servicer and the Cash Manager shall maintain accurate and up-to-date registers (collectively, the "**Asset Registers**") in respect of:

- (a) assets in the cover pool (as defined in MAS Notice 648) of the Covered Bond Guarantor and the CBG Beneficiary (including, for the avoidance of doubt, its interest in the Assets Trust); and
- (b) other assets of the Covered Bond Guarantor and the CBG Beneficiary securing the liabilities of the Covered Bond Guarantor and the CBG Beneficiary to the Secured Creditors,

and such other registers as the Intercompany Loan Provider or (after a Covered Bond Guarantor Acceleration Notice has been issued) the Security Trustee may request from time to time.

The Cash Manager will notionally allocate the assets of the Covered Bond Guarantor and the CBG Beneficiary to the Asset Registers, at such times as the Cash Manager determine is necessary or as may be required for the purposes of any determination, calculation or compliance with any obligation in relation to the payment/repayment of the Demand Loan in kind, on the following basis:

- (a) loans and their Related Security will be allocated on a Random Basis; and
- (b) all other assets of the Covered Bond Guarantor and the CBG Beneficiary (including Authorised Investments and Substitution Assets) will be allocated on such basis as the Cash Manager shall determine.

The Cash Manager has agreed that, upon request from the Intercompany Loan Provider and at the cost of the Intercompany Loan Provider, it will provide the Intercompany Loan Provider with copies of the Asset Registers and such other information in respect of the Asset Registers as the Intercompany Loan Provider may require.

Repayment of the Demand Loan

The repayment of principal in respect of the Demand Loan may (at the discretion of the Intercompany Loan Provider) (and, following the service of a Notice to Pay or a Covered Bond Guarantor Acceleration Notice, shall only) be satisfied by payment in kind to the Intercompany Loan Provider of Loans and their Related Security, Authorised Investments and/or Substitution Assets (other than cash) held by the Covered Bond Guarantor. Upon the Covered Bond Guarantor being required to repay all or part of the Demand Loan, the Cash Manager will deliver a notice (the "**Demand Loan Repayment Notice**") to the Covered Bond Guarantor, the CBG Beneficiary, the Assets Trustee, the Security Trustee, the Servicer and the Intercompany Loan Provider which (if the Demand Loan is being repaid prior to a Notice to Pay or a Covered Bond Guarantor Acceleration Notice) will reflect (at the discretion of the Intercompany Loan Provider) whether the Demand Loan is to be repaid in cash or in kind, and, if the Demand Loan is to be repaid in kind, will specify the Loans and their Related Security, Authorised Investments and/or Substitution Assets (other than cash) (collectively, the "**Demand Loan Repayment Assets**") that will satisfy the repayment obligation. Where the Demand Loan is to be repaid in kind, such Loans and their Related Security which are to comprise the relevant Demand Loan Repayment Assets will be selected by the Cash Manager on a Random Basis, subject to the following:

- (a) no Loans and their Related Security shall form part of the Demand Loan Repayment Assets to the extent necessary to ensure that the Asset Coverage Test is satisfied and, if necessary to satisfy or cure a breach of the Asset Coverage Test, Loans and their Related Security forming the Demand Loan Repayment Assets shall be selected by the Cash Manager on a Random Basis and be so removed, such that the aggregate Principal Balance of such Loans as at the relevant Demand Loan

Repayment Date together with the aggregate principal amount of such Authorised Investments and/or Substitution Assets (other than cash) forming part of the Demand Loan Repayment Assets is as close as reasonably possible to, and in any event less than or equal to, the principal amount of the Demand Loan requested or required to be repaid under the Intercompany Loan Agreement; and

- (b) to the extent there are any Converted Loans and/or Affected BB Loans in the Portfolio, the portion of the Demand Loan equal to the aggregate Principal Balance thereof may only be repaid in kind by way of such Converted Loans and/or Affected BB Loans (and may not be repaid in cash).

On the CBG Payment Date immediately following the last day of the Calculation Period in which the Demand Loan Repayment Notice was delivered, or, in the case of service of a Notice to Pay or a Covered Bond Guarantor Acceleration Notice, the CBG Payment Date following the date on which the Asset Percentage was fixed (as described below) (the "**Demand Loan Repayment Date**"), the Demand Loan will be repaid and/or, as the case may be, in respect of any Loans and their Related Security comprising the relevant Demand Loan Repayment Assets:

- (i) (in the case of Non-CPF Loans and their Related Security) where the Seller and the Intercompany Loan Provider are the same entity and if the sale of such Non-CPF Loans and their Related Security has not been perfected:
 - (A) the Covered Bond Guarantor's rights, estate, title, interests, benefits and remedies in such Non-CPF Loans and their Related Security will be reassigned, released and surrendered, and will vest completely in favour of the Intercompany Loan Provider, free from the Security Interest created by the Singapore Deed of Charge; and
 - (B) the Covered Bond Guarantor shall cease to have any interest in, or right to, such Non-CPF Loans and their Related Security;
- (ii) (in the case of Non-CPF Loans and their Related Security) if the sale of such Non-CPF Loans and their Related Security has been perfected, the Covered Bond Guarantor shall transfer its rights, estate, title, interests, benefits and remedies in such Non-CPF Loans and their Related Security to the Intercompany Loan Provider;
- (iii) (in the case of CPF Loans and their Related Security which are subject to an Assets Trust) where the Assets Trustee and the Intercompany Loan Provider are the same entity and the CBG Beneficiary has not surrendered its beneficial interest in such CPF Loans and their Related Security:
 - (A) the CBG Beneficiary's rights, estate, title, interests, benefits and remedies in such CPF Loans and their Related Security (which are subject to an Assets Trust) shall be released and surrendered, such that they vest completely in favour of the Intercompany Loan Provider, free from the Security Interest created by the Singapore Deed of Charge; and
 - (B) the CBG Beneficiary shall cease to have any interest in, or right to, such CPF Loans and their Related Security, and such CPF Loans and their Related Security shall cease to be Trust Assets; and/or
- (iv) (in the case of CPF Loans and their Related Security which are subject to an Assets Trust) if legal title to such CPF Loans and their Related Security has been transferred to a Replacement Assets Trustee (such transfer to be subject to any one of the Requisite CPF Loan Legal Title Transfer Approvals being obtained), the CBG Beneficiary shall transfer its rights, estate, title, interests, benefits and remedies in, and the Replacement Assets Trustee shall transfer (at the direction of the CBG Beneficiary) the legal title to, such CPF Loans and their Related Security to the Intercompany Loan Provider (provided all relevant consents required thereto are obtained).

On or before the second CBG Payment Date following the relevant Demand Loan Repayment Date (where applicable), the Intercompany Loan Provider shall pay to the Covered Bond Guarantor and the CBG Beneficiary an amount equal to the Arrears of Interest and Accrued Interest on the relevant Loans and their Related Security comprising the relevant Demand Loan Repayment Assets in respect of which (in the case

of a Non-CPF Loan) the Covered Bond Guarantor's or (in the case of a CPF Loan) the CBG Beneficiary's rights, estate, title, interests, benefits and remedies are reassigned, released and surrendered, or transferred (as applicable) on that Demand Loan Repayment Date, as at (but excluding) that Demand Loan Repayment Date.

All payments in respect of principal in respect of any Demand Loan Repayment Assets (whether as all or part of a payment on a Loan) which are received immediately following service of a Demand Loan Repayment Notice will belong to the Intercompany Loan Provider and are not Principal Receipts and the Cash Manager on behalf of the Covered Bond Guarantor agrees to remit such amounts to the Intercompany Loan Provider on or before the second CBG Payment Date following such receipt.

Prior to service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice, a Notice to Pay or a Covered Bond Guarantor Acceleration Notice, or following revocation of an Asset Coverage Test Breach Notice, the Intercompany Loan Provider may demand repayment of the Demand Loan (or any part thereof) either in cash or in kind with Demand Loan Repayment Assets (and, in the case of Demand Loan Repayment Assets, outside the Priorities of Payments) on each CBG Payment Date immediately following the last day of the Calculation Period in which the demand is made.

Prior to service of a Notice to Pay or a Covered Bond Guarantor Acceleration Notice, no principal amount of the Demand Loan will be repaid in cash or in kind as required above unless the Cash Manager has determined that the Asset Coverage Test will continue to be met after giving effect to the repayment in question.

Following the service of a Notice to Pay or a Covered Bond Guarantor Acceleration Notice, the Asset Percentage shall be fixed at a percentage number equal to the number calculated and applied for the purposes of determining the Adjusted Aggregate Loan Amount on the Test Date immediately preceding the service of a Notice to Pay or a Covered Bond Guarantor Acceleration Notice and the amount of the Demand Loan calculated on such basis will be repayable by the Covered Bond Guarantor in kind with Demand Loan Repayment Assets (and outside the Priorities of Payments).

As soon as possible following service of a Notice to Pay or a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor, the Cash Manager will select the initial Demand Loan Repayment Assets to be reassigned, released and surrendered in favour of or transferred (as applicable) to the Intercompany Loan Provider with an aggregate Principal Balance as close as reasonably possible to the principal amount of the Demand Loan (as most recently calculated by the Cash Manager and notified to the Servicer). The Cash Manager will specify such Demand Loan Repayment Assets in an initial Demand Loan Repayment Notice (the "**Initial Demand Loan Repayment Notice**") delivered to the Covered Bond Guarantor, the CBG Beneficiary, the Assets Trustee, the Servicer, the Intercompany Loan Provider and the Security Trustee.

On the first CBG Payment Date following the Calculation Date after the Asset Percentage has been fixed, the Covered Bond Guarantor's rights, estate, title, interests, benefits and remedies in the Demand Loan Repayment Assets reflected in the Initial Demand Loan Repayment Notice will be transferred to the Intercompany Loan Provider or (in respect of Non-CPF Loans and their Related Security) where the Seller and the Intercompany Loan Provider are the same entity and the sale of the Loans and their Related Security has not been perfected, reassigned, released and surrendered in favour of the Intercompany Loan Provider or (in respect of CPF Loans and their Related Security) where the Assets Trustee and the Intercompany Loan Provider are the same entity and the Covered Bond Guarantor has not surrendered its beneficial interest in such CPF Loans and their Related Security (and any related Top-up Loans) to the Intercompany Loan Provider, in repayment of the Demand Loan.

The Demand Loan Repayment Assets will not form part of the assets that are applied by the Security Trustee in accordance with the Post-Enforcement Priority of Payments following delivery of a Covered Bond Guarantor Acceleration Notice.

In order to provide sufficient time to the Cash Manager to select and transfer or reassign, release and surrender the Covered Bond Guarantor's rights, estate, title, interests, benefits and remedies in the relevant Demand Loan Repayment Assets to the Intercompany Loan Provider in accordance with the terms of the Intercompany Loan Agreement, the terms of the Singapore Deed of Charge provide that the Security Trustee may only apply amounts in accordance with the Post-Enforcement Priority of Payments on and after the first CBG Payment Date following the earlier of:

- (a) 30 days following the service of a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor; and
- (b) the date the Asset Percentage is fixed as described above following the service of a Covered Bond Guarantor Acceleration Notice.

If:

- (i) an Interest Rate Swap Agreement has been entered into and the Intercompany Loan Provider (in its capacity as the Interest Rate Swap Provider) is required to novate that Interest Rate Swap Agreement (if any) to a third party; or
- (ii) the Intercompany Loan Agreement is terminated,

(each of paragraphs (i) and (ii) above, a "**Demand Loan Repayment Event**"), the Asset Percentage shall be fixed at a percentage number equal to the number calculated and applied for the purposes of determining the Adjusted Aggregate Loan Amount on the Test Date immediately preceding the occurrence of such Demand Loan Repayment Event and the amount of the Demand Loan calculated on the basis of such Asset Percentage will be repayable in kind with Demand Loan Repayment Assets selected by the Cash Manager (and notified to the Servicer). The Demand Loan will be repayable by the Covered Bond Guarantor on the first CBG Payment Date following the first Calculation Date after the fixing of the Asset Percentage.

If a Notice to Pay or a Covered Bond Guarantor Acceleration Notice is served on the Covered Bond Guarantor or a Demand Loan Repayment Event occurs, then the amount of the Guarantee Loan and the Demand Loan will be fixed as at the date on which the Asset Percentage is fixed and will thereafter only be adjusted to reflect permitted repayments under the Intercompany Loan Agreement, further Advances or Subordinated Advances, (**provided that** the long-term unsecured and unsubordinated debt obligations of the Seller cease to be rated at least A3 by Moody's or BBB by S&P) any reduction in the Set-off Amount as a result of the occurrence of any event as set out in paragraph (c) of the definition of "Set-off Amount" (which shall be deducted from the Guarantee Loan and added to, and constitute, the Demand Loan on the CBG Payment Date following written notification from the Cash Manager to the Covered Bond Guarantor, the CBG Beneficiary and the Security Trustee of the occurrence of any of the events set out in paragraph (c) of the definition of "Set-off Amount"), an increase in the Principal Balance of a Loan comprised in the Portfolio due to Capitalised Interest, any increase in the amount of the Demand Loan and the corresponding reduction in the amount of the Guarantee Loan as a result of a Non-CPF Loan becoming a Converted Loan or an Affected BB Loan and any increase in the amount of the Guarantee Loan and the corresponding reduction in the amount of the Demand Loan necessary to satisfy or cure a breach of the Asset Coverage Test immediately before repayment of the Demand Loan.

Other

The Issuer will not be relying on repayment of the Intercompany Loan in order for it to meet its repayment obligations under the Covered Bonds.

Any failure by the Covered Bond Guarantor to pay any amounts due on the Intercompany Loan will not affect the Issuer's liability to pay the relevant amount due on the Covered Bonds.

The Intercompany Loan Agreement is governed by Singapore law.

Mortgage Sale Agreement

General

Non-CPF Loans and their Related Security will be sold to the Covered Bond Guarantor from time to time pursuant to the terms of the Mortgage Sale Agreement entered into on or about the Programme Date (as amended, restated, supplemented or novated from time to time) between the Issuer (in its capacity as Seller and Assets Trustee), the Covered Bond Guarantor, the CBG Beneficiary, the All Monies Trustee and the Security Trustee.

Sale by the Seller of Non-CPF Loans and their Related Security

The Portfolio will consist of, *inter alia*, Non-CPF Loans and their Related Security sold from time to time by the Seller to the Covered Bond Guarantor in accordance with the terms of the Mortgage Sale Agreement. The types of Non-CPF Loans forming part of the Portfolio will vary over time, **provided that**, at the time the relevant Non-CPF Loans are sold to the CBG, the Eligibility Criteria (as described below) in respect of such Non-CPF Loans are met on the relevant Closing Date. Accordingly, the Portfolio may, at any time, include Non-CPF Loans with characteristics that were not being offered to Borrowers or Mortgagors (as the case may be) on previous Closing Dates.

Prior to the occurrence of an Issuer Event of Default or a Covered Bond Guarantor Event of Default, the Covered Bond Guarantor will acquire Loans and their Related Security from the Seller in the three circumstances described below.

- (a) *First*, in relation to the issue of Covered Bonds from time to time in accordance with the Programme, the Issuer may make Advances under the Intercompany Loan Agreement to the Covered Bond Guarantor, the proceeds of which may be applied in whole or in part by the Covered Bond Guarantor to acquire Loans and their Related Security (or an interest in the Assets Trust thereto) from the Seller. In consideration of the sale of the Non-CPF Loans and their Related Security to the Covered Bond Guarantor, the Seller will receive the relevant Purchase Price, which will be satisfied by a combination of:
 - (i) a cash payment (if any) in Singapore dollars (which shall be equal to the Principal Balance of the Non-CPF Loans as at the Cut-off Date plus Accrued Interest, Arrears of Interest and any other amounts due in respect thereof up to (but excluding) the Cut-off Date) to be made by the Covered Bond Guarantor from the proceeds of the relevant Advance and/or Subordinated Advance or set-off against such Advance and/or Subordinated Advance and/or from Available Principal Receipts in accordance with the relevant Priorities of Payments (unless an Asset Coverage Test Breach Notice has been served and remains outstanding); and
 - (ii) the Early Repayment Charge Receipts received by the Covered Bond Guarantor in respect of the Non-CPF Loans included in the Initial Portfolio or the New Portfolio (as the case may be).

In addition to the relevant Purchase Price, the Covered Bond Guarantor shall also pay to the Seller as part of the purchase consideration for the Non-CPF Loans and their Related Security in the Portfolio an amount equivalent to the Deferred Consideration in accordance with the relevant Priorities of Payments.

- (b) *Second*, prior to service of an Asset Coverage Test Breach Notice on the Covered Bond Guarantor or following the revocation of an Asset Coverage Test Breach Notice, the Covered Bond Guarantor may use the Available Principal Receipts to acquire New Loans (which are Non-CPF Loans) and their Related Security from the Seller on any Singapore Business Day (including a CBG Payment Date).
- (c) *Third*, the Covered Bond Guarantor and the Seller are required to ensure that the Portfolio is maintained at all times in compliance with the Asset Coverage Test (as determined by the Cash Manager on each Calculation Date). If the Covered Bond Guarantor receives written notification from the Cash Manager that the Adjusted Aggregate Loan Amount does not comply with the Asset Coverage Test as determined by the Cash Manager as of any Calculation Date, then the Covered Bond Guarantor will use all commercially reasonable endeavours to acquire further Loans and their Related Security from the Seller and/or obtain an Advance or a Subordinated Advance to ensure that the Asset Coverage Test is met as of the next Calculation Date. If any New Loans are Non-CPF Loans, the Seller undertakes to use all reasonable endeavours to offer to sell to the Covered Bond Guarantor by complying with the procedure in the Mortgage Sale Agreement and the Covered Bond Guarantor undertakes to use all reasonable endeavours to acquire from the Seller sufficient New Loans (which are Non-CPF Loans) and their Related Security (and any related Top-up Loans) in accordance with the provisions of the Mortgage Sale Agreement together with any New Loans (which are CPF Loans) and their Related Security (and any related Top-up Loans) offered to be sold by the Seller to the Covered Bond Guarantor under the Declaration of Assets Trust, so that the Adjusted Aggregate Loan Amount is maintained at all times in compliance with

the Asset Coverage Test as determined by the Cash Manager as of each Calculation Date, **provided that** the Seller shall not be obliged to offer to sell to the CBG New Loans and their Related Security (and any related Top-up Loans) if in the reasonable opinion of the Seller the sale to the Covered Bond Guarantor of such New Loans and their Related Security (and any related Top-up Loans) would adversely affect the business or financial condition of the Seller.

If Selected Loans are sold by or on behalf of the Covered Bond Guarantor (see "*Establishment Deed – Sale of Selected Loans following service of a Notice to Pay*"), the obligations of the Seller insofar as they relate to those Selected Loans will cease to apply.

The Seller will also be required to repurchase Non-CPF Loans and their Related Security in the circumstances described below under "*Repurchase of Non-CPF Loans*".

Conditions to Sale of Non-CPF Loans and their Related Security and Eligibility Criteria

The sale of Non-CPF Loans and their Related Security to the Covered Bond Guarantor will be subject to various conditions and eligibility requirements (the "**Eligibility Criteria**") being satisfied on the relevant Closing Date. The sale conditions include:

- (a) no Issuer Event of Default or Covered Bond Guarantor Event of Default or Insolvency Event in respect of the Seller shall have occurred which is continuing after the giving of notice and any applicable grace period as at the relevant Closing Date;
- (b) such sale is not contrary to any direction given by the MAS;
- (c) the Covered Bond Guarantor, acting on the advice of the Cash Manager, is not aware, and could not reasonably be expected to be aware, that the purchase of the New Portfolio on the relevant Closing Date would adversely affect the then current ratings of the Covered Bonds; and
- (d) each New Loan (which is a Non-CPF Loan) is in compliance with the Eligibility Criteria; and
- (e) the Seller having delivered to the Bond Trustee and the Security Trustee a solvency certificate of an authorised signatory of the Seller in the agreed form and dated as at the relevant Closing Date.

The Eligibility Criteria require that each Loan:

- (a) is originated and booked after 1 January 2016;
- (b) is denominated and repayable in SGD;
- (c) is a mortgage loan which has been fully drawn (and where the Borrower or the Mortgagor (as the case may be) has no right to re-borrow any amount prepaid or repaid);
- (d) is secured by a mortgage over a residential property situated in Singapore and: (i) title of the Mortgagor to such residential property must: (A) have been separately issued; and (B) not be comprised in lease(s) granted by HDB, the Jurong Town Corporation or such other authorities/vendors as lessor, whereby consent of such lessor and/or such other relevant third party is required for the sale of such residential property or for the creation, assignment or transfer of such mortgage; and (ii) (if applicable) the leasehold interest of the Mortgagor in such residential property must not be for a term of less than 30 years after the maturity date of the relevant Loan at the time of approval for the Loan origination;
- (e) is repayable by the relevant Borrower and/or the relevant Mortgagor within 35 years of the relevant Closing Date;
- (f) is a loan under which the Borrower or the Mortgagor (as the case may be) has made at least one monthly payment in respect thereof;
- (g) is not in arrears for more than 30 days;
- (h) is not a construction loan which has not been fully drawn down, renovation loan, overdraft or such other revolving facility;

- (i) is secured by a mortgage that constitutes a first ranking mortgage, save for: (i) any charge registered or notified by the CPF Board in respect of the withdrawal of funds from the Mortgagor's account(s) with the CPF Board; (ii) any statutory charge in favour of the tax authority in respect of unpaid property tax; (iii) any charge registered in favour of the relevant management corporation of the estate comprising the Property in respect of unpaid amounts or contributions; (iv) any statutory charge in favour of the tax authority in respect of unpaid Estate Duty (where applicable); and (v) any other charges arising under any written law;
- (j) is not a Staff Mortgage Loan; and
- (k) is not classified as a non-performing loan or bad debt.

On the relevant Closing Date, the Representations and Warranties (described below in "*Representations and Warranties in relation to Non-CPF Loans*") will be given by the Seller in favour of the Covered Bond Guarantor and the Security Trustee in respect of the Non-CPF Loans and their Related Security sold by the Seller to the Covered Bond Guarantor.

Transfer of title to the Non-CPF Loans to the Covered Bond Guarantor or a Purchaser

Non-CPF Loans and their Related Security will be sold by the Seller to the Covered Bond Guarantor pursuant to the terms of the Mortgage Sale Agreement. Such Non-CPF Loans and their Related Security will be sold by way of equitable assignment. As a result, legal title to all of the Non-CPF Loans and their Related Security will remain with the Seller until a notice of assignment is given by the Seller to the relevant Borrower, Mortgagor, surety, guarantor and/or any other relevant counterparty, and the Non-CPF Loans and their Related Security are transferred by the Seller to the Covered Bond Guarantor (see below in relation to Converted Loans and Affected BB Loans) and, where applicable, registered with the appropriate authority(ies). Legal assignment of the Non-CPF Loans and their Related Security (including, where appropriate, their registration or recording in the relevant property register) to the Covered Bond Guarantor will be deferred and will only take place in the limited circumstances described below.

The Seller shall, within 30 days after the earliest to occur of the following events, submit or deliver all relevant documents, notifications, forms, instruments and applications to the relevant parties as may be necessary to effect the transfer of the legal title of the Non-CPF Loans and their Related Security (or, where specified, the Selected Loans) to: (i) the Covered Bond Guarantor; or (ii) (where applicable) the Relevant Purchaser:

- (a) the occurrence of an Issuer Event of Default and service on the Issuer of an Issuer Acceleration Notice and the service on the Covered Bond Guarantor of a Notice to Pay (or, if earlier, following the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantor Acceleration Notice), except that such submission or delivery in respect of Selected Loans described in a Selected Loans Offer Notice is not required if the Seller has notified the Covered Bond Guarantor that it will accept the offer set out in the Selected Loans Offer Notice within the prescribed time;
- (b) in respect of Selected Loans only, at the request of the Covered Bond Guarantor following the acceptance of any offer to sell the Selected Loans to any Purchaser who is not the Seller;
- (c) the Seller and/or the Covered Bond Guarantor being required: (i) by law; (ii) by an order of a court of competent jurisdiction; (iii) by a regulatory authority which has jurisdiction over the Seller; or (iv) by any organisation of which the Seller is a member, or whose members comprise, but are not necessarily limited to, mortgage lenders and with whose instructions it is customary for the Seller to comply, to transfer legal title to the Non-CPF Loans;
- (d) the occurrence of an Insolvency Event in respect of the Seller;
- (e) the termination or resignation of the Seller as Servicer under the Servicing Agreement unless:
 - (i) at the relevant date of termination or resignation, any substitute servicer is a member of the SCPLC Group; or

- (ii) the Security Trustee otherwise consents (such consent to be given if a Rating Agency Confirmation has been delivered by the Issuer to the Covered Bond Guarantor and the Security Trustee in respect of the termination or resignation of the Seller as Servicer);
- (f) the Seller requesting a transfer of legal title to: (i) the Covered Bond Guarantor; or (ii) (where applicable) the Relevant Purchaser, by giving notice in writing to the Covered Bond Guarantor and the Security Trustee; or
- (g) the Seller's long-term unsecured and unsubordinated debt obligations cease to be rated at least Baa3 by Moody's and BBB- by S&P,

such events set out in (a) to (g) above, the "**Perfection Events**".

Where transfer of legal title is to be effected in respect of Non-CPF Loans and their Related Security (see below in relation to Converted Loans), a notice of assignment will be given by the Seller to the relevant Borrower, Mortgagor, surety, guarantor and/or any other relevant counterparty, and the Non-CPF Loans and their Related Security will be transferred by the Seller to the Covered Bond Guarantor and, where applicable, registered with the appropriate authority(ies).

Pending completion of the transfer, the right of the Covered Bond Guarantor to exercise the powers of the legal owner of the Mortgages will be secured by an irrevocable power of attorney granted by the Seller in favour of the Covered Bond Guarantor and the Security Trustee.

Except where any registration or recording may be pending at the Land Registry, the Title Deeds and Loan Files relating to the Loans in the Portfolio will be held or controlled by or to the order of the Seller or the Servicer, as the case may be, or by solicitors acting for the Seller in connection with the creation of the Non-CPF Loans and their Related Security in the Portfolio. The Seller or the Servicer, as the case may be, will undertake that all the Title Deeds and Loan Files relating to the Non-CPF Loans in the Portfolio which are at any time in their possession or under their control or held to their order will be held to the order of the Security Trustee or as the Security Trustee may direct.

Representations and Warranties in relation to Non-CPF Loans

None of the Covered Bond Guarantor, the Security Trustee or the Bond Trustee has made or has caused to be made on its behalf any enquiries, searches or investigations in respect of the Non-CPF Loans and their Related Security to be sold to the Covered Bond Guarantor. Instead, each is relying entirely on the Representations and Warranties by the Seller contained in the Mortgage Sale Agreement. The parties to the Mortgage Sale Agreement may, with the prior written consent of the Security Trustee (which shall be given if the Rating Agencies have confirmed in writing that the amendment will not impact, result in the reduction, qualification, suspension or withdrawal of the current rating of the Covered Bonds and the Cash Manager has certified that such waiver or amendment will not have a Material Adverse Effect under limbs (c) and (d) of the definition thereof), amend the Representations and Warranties in the Mortgage Sale Agreement. The Representations and Warranties include the following and are given on the relevant Closing Date in respect of the Non-CPF Loans and their Related Security to be sold to the Covered Bond Guarantor only on that date:

- (a) at the time the Seller entered into any Loan, it did so in good faith and for the purpose of carrying on its business and at the time it did so there were reasonable grounds for believing that the transaction would benefit the Seller, and each Loan was made substantially on the terms of the Standard Documentation without any material variation (subject only to exceptions as would be acceptable to a Reasonable, Prudent Mortgage Lender);
- (b) each Loan and its Related Security was originated in the Seller's ordinary course of business and in accordance with the Seller's Lending Criteria in force at the time of its origination;
- (c) the Seller is under no obligation to make further amounts available under each Loan or its Related Security to any Borrower and/or any Mortgagor other than as required by applicable laws;
- (d) at the time the Seller entered into the Mortgage relating to each Loan, it is in compliance with MAS Notice 632 in effect at that point in time issued by the MAS to banks (as defined under the Banking Act) in respect of residential property loans from time to time;

- (e) each Loan and its Related Security is valid, binding and enforceable against the relevant Borrower(s), (if different) the relevant Mortgagor(s) and (if applicable) the relevant surety(ies) (except that enforceability may be limited by bankruptcy, insolvency, moratorium or other similar laws of general application relating to or affecting the rights of creditors and the court's discretion in relation to equitable remedies);
- (f) each Related Security secures the repayment of all advances, interest, costs and expenses payable by the relevant Borrower and/or Mortgagor in respect of the related Loan;
- (g) prior to making a Loan, the Seller instructed or required to be instructed on its behalf solicitors to carry out all investigations and searches in relation to the relevant Property that would have been undertaken by the Seller acting in accordance with standards consistent with those of a Reasonable, Prudent Mortgage Lender lending to borrowers in Singapore;
- (h) prior to disbursing a Loan, an independent valuation may have been carried out or instructed by one of the then Seller's valuers or panel managers on the relevant Property (either on a desk-top basis or as a result of a physical visit), and the results of any such obtained valuation would have been acceptable to a Reasonable, Prudent Mortgage Lender;
- (i) the Mortgage Conditions in respect of each Loan and Related Security require that a policy of fire insurance be arranged by or on behalf of the Borrower and (if different) the Mortgagor for each Property and such policy has actually been arranged;
- (j) at the time when a Loan was disbursed or the mortgage or other security for the Loan was created, to the best of the Seller's knowledge, the Seller had not received written notice of the bankruptcy, voluntary arrangement or similar insolvency process of the relevant Borrower, (if different) the relevant Mortgagor and/or (if applicable) the relevant surety(ies);
- (k) the Loans comply with the Eligibility Criteria;
- (l) no Loan constitutes a New Loan Type in respect of which a Rating Agency Confirmation that such New Loan Type may be sold to the Covered Bond Guarantor has not been received;
- (m) each of the Borrowers, Mortgagors and (where applicable) guarantors of such Loan is an individual and was at least 21 years of age at the time for the origination of the Loan;
- (n) the Seller is the sole legal and beneficial owner of each Loan and its Related Security and no prior ranking security interest over any Loan or its Related Security exists other than the Seller's, save for: (i) any charge registered or notified by the CPF Board in respect of the withdrawal of CPF Funds from the Mortgagor's account(s) with the CPF Board; (ii) any statutory charge in favour of the tax authority in respect of unpaid property tax; (iii) any charge registered in favour of the relevant management corporation of the estate comprising the Property in respect of unpaid amounts or contributions; (iv) any statutory charge in favour of the tax authority in respect of unpaid estate duty (where applicable); and (v) any other charges arising under any written law;
- (o) all approvals and consents necessary to permit an equitable or beneficial transfer of: (i) the Loans; and (ii) their Related Security to be sold under the Mortgage Sale Agreement (or, in the case of CPF Loans and their Related Security, to be subject to the terms of the Assets Trust) have been obtained (including consents of insurers for assignment of rights and interests under relevant insurance policies);
- (p) the Seller holds in its possession or control the Title Deed in relation to the Property, the relevant Loan File and the Mortgage;
- (q) the Seller has, since the making of each Loan, kept or procured the keeping of full and proper accounts, books and records showing all material transactions relating to such Loan;
- (r) all authorisations, approvals, licences or consents required as appropriate for the Seller to enter into or perform its material obligations under the Mortgage Sale Agreement have been obtained; and
- (s) each of the Mortgages has been duly stamped.

If New Loan Types are to be sold to the Covered Bond Guarantor, then the Representations and Warranties in the Mortgage Sale Agreement will be waived or modified as required to accommodate these New Loan Types, **provided that** the Rating Agencies have confirmed in writing that the amendment will not impact, result in the reduction, qualification, suspension or withdrawal of the current rating of the Covered Bonds and the Cash Manager has certified that such waiver or amendment will not have a Material Adverse Effect under limbs (c) and (d) of the definition thereof. The prior consent of the Covered Bondholders to the requisite amendments will not be required to be obtained. In relation to the sale of New Loan Types to the Covered Bond Guarantor, the Seller shall also procure that legal opinions opining on, among other things, the "true-sale" of New Loan Types be provided to the Covered Bond Guarantor and the Security Trustee in such form as may be reasonably required by the Security Trustee and the Covered Bond Guarantor.

Repurchase of Non-CPF Loans

If the Seller receives a Loan Repurchase Notice from the Covered Bond Guarantor or the Cash Manager on behalf of the Covered Bond Guarantor identifying a Non-CPF Loan or its Related Security in the Portfolio which does not, as at the relevant Closing Date, materially comply with the Representations and Warranties set out in the Mortgage Sale Agreement, then the Seller will be required to repurchase such Non-CPF Loan and its Related Security (and any related Top-up Loans) of the relevant Borrower and/or Mortgagor (as the case may be) that are included in the Portfolio. The repurchase price payable upon the repurchase of any Non-CPF Loan (or, as the case may be, Defaulted Loan and/or Converted Loan (in each case, which is a Non-CPF Loan)) is an amount (not less than zero) equal to the Principal Balance of such Non-CPF Loan (or, as the case may be, Defaulted Loan and/or Converted Loan (in each case, which is a Non-CPF Loan)) and any expenses as at the date of completion of such repurchase or re-transfer, plus Accrued Interest, Arrears of Interest and any other amounts due in respect thereof up to (but excluding) the date falling one Singapore Business Day prior to the relevant repurchase date. Any repurchase proceeds received from the sale of such Non-CPF Loan (or, as the case may be, Defaulted Loan and/or Converted Loan (in each case, which is a Non-CPF Loan)) and its Related Security by the Covered Bond Guarantor will be applied in accordance with the relevant Priority of Payment. See "*Cashflows and Priorities of Payments*". Any repurchase proceeds received from the sale of such Top-up Loan shall be applied outside the Priorities of Payments towards the repayment of the Ancillary Intercompany Loan.

The repurchase price payable upon the repurchase of any related Top-up Loan is an amount (not less than zero) equal to the outstanding principal balance of the Top-up Loan as at the relevant repurchase date, plus Accrued Interest, Arrears of Interest and any other amounts due in respect thereof up to (but excluding) the date falling one Singapore Business Day prior to the relevant repurchase date. Any repurchase proceeds received from the sale of such Top-up Loan shall be applied outside the Priorities of Payments towards the repayment of the Ancillary Intercompany Loan.

General ability to repurchase

Prior to the occurrence of an Issuer Event of Default, the Seller may (at its sole discretion) from time to time offer to repurchase a Non-CPF Loan and its Related Security from the Covered Bond Guarantor for a purchase price of not less than the aggregate Principal Balance of the relevant Non-CPF Loan and any expenses as at the date of completion of such repurchase or re-transfer, plus Accrued Interest, Arrears of Interest and any other amounts due in respect thereof up to (but excluding) the date falling one Singapore Business Day prior to the relevant repurchase date. The Covered Bond Guarantor may accept such offer at its discretion.

Defaulted Loans

If the Seller receives a Defaulted Loans Notice from the Cash Manager identifying any Defaulted Loan, then that Defaulted Loan will be attributed a zero weighting in the calculation of the Asset Coverage Test and the Amortisation Test as at the relevant Calculation Date. In addition, the Seller may, at its option, repurchase a Defaulted Loan (which is a Non-CPF Loan) and its Related Security (and any related Top-up Loans) from the Covered Bond Guarantor for an amount (not less than zero) equal to the Principal Balance of such Defaulted Loan and any expenses as at the date of completion of such repurchase or re-transfer, plus Accrued Interest, Arrears of Interest and any other amounts due in respect thereof up to (but excluding) the date falling one Singapore Business Day prior to the relevant repurchase date.

Converted Loans

A Non-CPF Loan becomes a Converted Loan in circumstances where a Mortgagor of a Non-CPF Loan has obtained the CPF Withdrawal Approval after the Cut-off Date in respect of such Non-CPF Loan. The Seller (as legal mortgagee) is entitled to notice of such approval and may, at its option, offer to repurchase such Converted Loan and its Related Security from the Covered Bond Guarantor prior to a withdrawal of CPF Funds by the Mortgagor. No consent from the CPF Board is required for such repurchase prior to withdrawal of CPF Funds (and the Seller is entitled to participate in the documentary process which is a prerequisite for the Mortgagor making such withdrawal). The repurchase price shall be an amount (not less than zero) equal to the Principal Balance of such Converted Loan and any expenses as at the date of completion of such repurchase or re-transfer, plus Accrued Interest, Arrears of Interest and any other amounts due in respect thereof up to (but excluding) the date falling one Singapore Business Day prior to the relevant repurchase date.

If the Seller does not repurchase such Converted Loan and its Related Security prior to such withdrawal of CPF Funds, the prior approval of the CPF Board would be required for a transfer of the legal title to a Purchaser or third party. As described below, Converted Loans are excluded from the Asset Coverage Test and the Amortisation Test.

Affected BB Loans

In the ordinary course of business, the Issuer grants BB Facilities to borrowers. Such business banking facilities may be secured by a BB Facility Mortgage, which is a mortgage over a Property which is already subject to a Mortgage relating to a Loan in the Portfolio (such Loan, an "**Affected BB Loan**") and which is registered with the Land Registry after such Mortgage.

The Seller has undertaken in the Mortgage Sale Agreement that it shall obtain the consent of the Servicer before enforcing any BB Facility Mortgage and that its rights and remedies in respect of the sums owed to the Seller in connection with a BB Facility and which are secured by BB Facility Related Security shall be subordinated to any claims owed to the Covered Bond Guarantor by the Borrower and/or the Mortgagor (as the case may be) and which are secured by the Mortgage over the Property that is the subject of the relevant BB Facility Mortgage.

Any proceeds from the sale or enforcement of any BB Facility Related Security shall be held by the Seller on trust for the Covered Bond Guarantor and paid into an account to be specified by the Covered Bond Guarantor to be applied as if such proceeds were All Monies Trust Property. See "*All Monies Mortgages and the CBG Declaration of Trusts*".

Affected BB Loans are excluded from the Asset Coverage Test and the Amortisation Test.

Right of pre-emption

Under the terms of the Mortgage Sale Agreement, the Seller has a right of pre-emption in respect of any sale, in whole or in part, of Selected Loans (and any related Top-up Loans).

The Covered Bond Guarantor will serve on the Seller a Selected Loans Offer Notice offering to sell Selected Loans (which are Non-CPF Loans) which, when aggregated with those Selected Loans (which are CPF Loans) to be offered for sale in accordance with the Declaration of Assets Trust, comprise an offer price of: (a) where the Selected Loans Offer Notice is given following a breach of the Pre-Maturity Test in respect of any Series of Hard Bullet Covered Bonds and the Pre-Maturity Liquidity Ledger is not funded by the required amount, the greater of the then Principal Balance of the Selected Loans plus any Accrued Interest and Arrears of Interest due in respect of such Selected Loans up to (but excluding) the relevant date of completion of sale of such Selected Loans and the Adjusted Required Redemption Amount; (b) where the Selected Loans Offer Notice is given following the service of an Asset Coverage Test Breach Notice but prior to the service of a Notice to Pay, the Principal Balance of the Selected Loans plus any Accrued Interest and Arrears of Interest due in respect of such Selected Loans up to (but excluding) the relevant date of completion of sale of such Selected Loans; or (c) where the Selected Loans Offer Notice is given following the service of a Notice to Pay, the greater of the Principal Balance of the Selected Loans plus any Accrued Interest and Arrears of Interest due in respect of such Selected Loans up to (but excluding) the relevant date of completion of sale of such Selected Loans and the Adjusted Required Redemption Amount, in each case, subject to the offer being accepted by the Seller within 20 Singapore Business Days. The

related Top-up Loans, if any, shall be offered for an offer price equal to the outstanding principal balance of the related Top-up Loans, plus accrued interest and any other amounts due in respect thereof up to (but excluding) the relevant transfer date in respect of such Top-up Loans.

If an Issuer Event of Default has occurred but no liquidator or judicial manager has been appointed in respect of the Seller, the Seller's right to accept the offer (and therefore its right of pre-emption) will be conditional upon the delivery by the Seller of a solvency certificate to the Covered Bond Guarantor and the Security Trustee. If the Seller rejects the Covered Bond Guarantor's offer or fails to accept it in accordance with the foregoing, the Covered Bond Guarantor will offer to sell the Selected Loans to other Purchasers (see "*Establishment Deed – Method of Sale of Selected Loans*" below).

If the Seller accepts the Covered Bond Guarantor's offer to sell the Selected Loans, the Covered Bond Guarantor shall, within three Singapore Business Days of receipt of such acceptance, serve a Selected Loans Repurchase Notice on the Seller. The Seller will sign and return a duplicate copy of the Selected Loans Repurchase Notice and shall repurchase from the Covered Bond Guarantor, free from the Security created by and pursuant to the Singapore Deed of Charge, the relevant Selected Loans (which are Non-CPF Loans) referred to in the relevant Selected Loans Repurchase Notice. Completion of the purchase of the Selected Loans (which are Non-CPF Loans) by the Seller shall take place on the CBG Payment Date next occurring after receipt by the Seller of such Selected Loans Repurchase Notice or such date as the Covered Bond Guarantor may direct in the Selected Loans Repurchase Notice (**provided that** such date shall not be later than the earlier to occur of the date which is: (a) 10 Singapore Business Days (or such other date as may be agreed between the Covered Bond Guarantor and the Seller) after receipt by the Covered Bond Guarantor of the returned Selected Loans Repurchase Notice; and (b) the Maturity Date, as applicable, of the relevant Series of Hard Bullet Covered Bonds or of the Earliest Maturing Covered Bonds).

For the purposes hereof:

- (a) **"Adjusted Required Redemption Amount"** means the SGD Equivalent of:
- (i) the Required Redemption Amount;
plus (if an amount is payable by the Covered Bond Guarantor) or minus (if an amount is payable to the Covered Bond Guarantor)
 - (ii) any swap termination amounts (other than Excluded Swap Termination Amounts) payable to or by the Covered Bond Guarantor under the relevant Covered Bond Swap Agreement in respect of the relevant Series of Covered Bonds;
plus (if an amount is payable by the Covered Bond Guarantor) or minus (if an amount is payable to the Covered Bond Guarantor)
 - (iii) any swap termination amounts (other than Excluded Swap Termination Amounts) payable to or by the Covered Bond Guarantor under the Interest Rate Swap Agreement in respect of the relevant Series of Covered Bonds (if any);
minus
 - (iv) amounts standing to the credit of the Transaction Account and any Authorised Investments and/or Substitution Assets purchased by the Covered Bond Guarantor or the Cash Manager on its behalf (excluding all amounts to be applied on the next following CBG Payment Date to pay or repay higher ranking amounts in the Guarantee Priority of Payments and those amounts that are required to repay any Series of Covered Bonds which mature prior to or on the same date as the relevant Series of Covered Bonds); and
- (b) **"Required Redemption Amount"** means, in respect of a Series of Covered Bonds, the outstanding nominal amount of the relevant Series of Covered Bonds.

The Mortgage Sale Agreement is governed by Singapore law.

All Monies Mortgages and the CBG Declaration of Trusts

Some of the Mortgages for the Loans to be included in the Portfolio may constitute "all monies security" in that they stand as security for Associated Debt as well as for a Loan (and/or) any related Top-up Loans extended by the Seller to the Borrower or the Mortgagor (as the case may be) (each, an "**All Monies Mortgage**" and, together, the "**All Monies Mortgages**"). An All Monies Mortgage will be enforceable on the occurrence of a default by a Borrower or a Mortgagor either under a Loan, Top-up Loan or any Associated Debt secured by the relevant All Monies Mortgage.

Pursuant to the terms of the Mortgage Sale Agreement, the Seller will transfer to the Covered Bond Guarantor all its rights under each of the All Monies Mortgages relating to Non-CPF Loans by way of equitable assignment and will procure that the proceeds of enforcement of each of the All Monies Mortgages are paid to the Covered Bond Guarantor by payment into an account to be specified by the Covered Bond Guarantor. Pursuant to the terms of the Declaration of Assets Trust, the Seller will transfer to the CBG Beneficiary all its rights under each of the All Monies Mortgages relating to the CPF Loans by way of declaration of trust and will procure that the proceeds of enforcement of each All Monies Mortgage are paid to the CBG Beneficiary by payment into an account to be specified by the CBG Beneficiary. The Covered Bond Guarantor and the CBG Beneficiary, pursuant to the declaration of trusts (the "**CBG Declaration of Trusts**"), will declare a separate trust over the All Monies Trust Property (as defined below) in favour of itself (or the CBG Beneficiary) and the Seller absolutely as to both capital and income, as beneficial tenants in common.

"**All Monies Trust Property**" means (in respect of each All Monies Trust):

- (a) all rights, estate, title, interests, benefits and remedies of the Covered Bond Guarantor or, as the case may be, the CBG Beneficiary (both present and future) in and under the All Monies Mortgage acquired under the terms of the Mortgage Sale Agreement or, as the case may be, the Declaration of Assets Trust;
- (b) the proceeds of enforcement of the All Monies Mortgage referred to in (a) above and the Related Security referred to in (d) below which secures sums due by the relevant Borrower and/or the relevant Mortgagor under the relevant Loan(s), the relevant Top-up Loan(s) and/or the relevant Associated Debt;
- (c) all amounts referable to the proceeds of enforcement of the relevant All Monies Mortgage and Related Security referred to in (b) above standing to the credit of the CBG Trust Account from time to time;
- (d) all rights, estate, title, interests, benefits and remedies of the All Monies Trustee (both present and future) in and under any Related Security acquired under the terms of the Mortgage Sale Agreement and the Declaration of Assets Trust which may correspond to all liabilities of the relevant Borrower and/or Mortgagor incurred or to be incurred in relation to the relevant Loan(s), relevant Top-up Loan(s) and/or the relevant Associated Debt;
- (e) the proceeds of enforcement of the BB Facility Mortgage over a Property that is the subject of the All Monies Mortgage referred to in (a) above and any other BB Facility Related Security;
- (f) all amounts referable to the proceeds of enforcement of the BB Facility Mortgage and any other BB Facility Related Security standing to the credit of the CBG Trust Account from time to time;
- (g) any additions to the All Monies Trust Property acquired after the date of the CBG Declaration of Trusts; and
- (h) all assets representing the above from time to time or derived therefrom or created or acquired by the All Monies Trustee in that capacity from time to time.

"**All Monies Trust**" means the separate trust of each All Monies Mortgage (and other All Monies Trust Property representing, derived from or relating to that All Monies Mortgage) declared by the All Monies Trustee in favour of the All Monies Beneficiaries pursuant to the CBG Declaration of Trusts.

"**All Monies Beneficiaries**" means, in relation to an All Monies Trust, the Covered Bond Guarantor (or, as the case may be, the CBG Beneficiary) and the Seller as beneficiaries of such All Monies Trust.

The CBG Share of the principal of each separate All Monies Trust will be an amount of All Monies Trust Property equal to the Principal Balance of the Loan(s) plus any Accrued Interest and Arrears of Interest on those Loans and the outstanding balance of any related Top-up Loan(s), plus accrued interest and arrears of interest on those Top-up Loan(s), secured by the relevant All Monies Mortgage and any other Related Security held on that All Monies Trust and any other amounts due in respect thereof. The Seller Share of the principal of each separate All Monies Trust will be an amount of All Monies Trust Property equal to (i) the outstanding balance of any relevant Associated Debt which the Seller is entitled to, plus any amount recoverable in respect of such Associated Debt (including but not limited to any accrued interest on such Associated Debt), secured by the relevant All Monies Mortgage and any other Related Security held on that All Monies Trust and (ii) to the extent that there is All Monies Trust Property falling within limb (e) and/or limb (f) of the definition of "All Monies Trust Property" in respect of an All Monies Trust, the Seller's Share shall also include an amount of All Monies trust Property equal to the outstanding balance of any relevant BB Facility which the Seller is entitled to, plus any amount recoverable in respect of such BB Facility (including but not limited to any accrued interest on such BB Facility). The CBG Share and the Seller Share of any income of each All Monies Trust shall be in the same proportions which their respective shares of the principal of the relevant All Monies Trust bear to the total principal of the relevant All Monies Trust. In applying the proceeds of enforcement of the All Monies Trust Property, the All Monies Trustee shall ensure that (to the extent that a Mortgagor has utilised CPF Funds in connection with the Property) the relevant amount will be refunded to that Mortgagor's CPF account(s) in accordance with the priority of distributions set out in the section "*Regulation/Legal Aspects of the Singapore Residential Mortgage Market – CPF Board*". In any case, the Seller's share of the All Monies Trust Property in respect of each All Monies Mortgage will be subordinated to the Covered Bond Guarantor's share of the All Monies Trust Property in respect of each All Monies Mortgage.

The Seller (in its capacity as the All Monies Beneficiary) may direct the All Monies Trustee (or the Servicer on behalf of the All Monies Trustee) in respect of the enforcement of the All Monies Mortgage upon the occurrence of a default by the relevant Borrower and/or the relevant Mortgagor (as the case may be) of the relevant Associated Debt. If in the reasonable opinion of the Seller it is necessary for any of the Associated Debt to be assigned or otherwise transferred to the All Monies Trustee so as to enable recovery of such Associated Debt under or in connection with the All Monies Mortgage and/or any other Related Security, the Seller may request and the All Monies Trustee shall, subject to applicable laws and regulations (including MAS Notice 648), agree to purchase such Associated Debt. The purchase of an Associated Debt shall be funded by the Covered Bond Guarantor or the CBG Beneficiary, as the case may be, using Deemed Ancillary Intercompany Loan Advances and after such purchase, the Associated Debt shall be deemed to be a Top-up Loan and (if such Associated Debt is related to a CPF Loan) shall constitute new Trust Assets and the CBG Beneficiary shall, on the completion date of such purchase, make an Additional Contribution.

For the avoidance of doubt, All Monies Mortgages are administered by the Servicer in the same manner as are all other Mortgages.

The CBG Declaration of Trusts is governed by Singapore law.

Declaration of Assets Trust

Pursuant to the terms of the Declaration of Assets Trust between the Assets Trustee, the Security Trustee, the Seller, the Covered Bond Guarantor, CBG Beneficiary and the All Monies Trustee, the Assets Trustee established the Assets Trust on the First Closing Date. The Assets Trust is a trust formed under Singapore law with the Assets Trustee as trustee for the benefit of the CBG Beneficiary.

Sale by the Seller of CPF Loans and their Related Security

The Portfolio will consist of, *inter alia*, an interest in the Assets Trust held by the Assets Trustee in favour of the CBG Beneficiary, and which Trust Assets include CPF Loans and their Related Security (and any related Top-up Loans) in accordance with the terms of the Declaration of Assets Trust. The types of CPF Loans forming part of the Portfolio will vary over time, **provided that**, at the time the relevant CPF Loans are sold to the CBG Beneficiary, the Eligibility Criteria in respect of such CPF Loans are met on the relevant Closing Date. Accordingly, the Portfolio may, at any time, include CPF Loans with characteristics that were not being offered to Borrowers or Mortgagors (as the case may be) on previous Closing Dates.

Prior to the occurrence of an Issuer Event of Default or a Covered Bond Guarantor Event of Default, the Covered Bond Guarantor will acquire CPF Loans and their Related Security from the Seller, by means of grant of a declaration of trust or inclusion in the Assets Trust, in the three circumstances described below.

- (a) *First*, in relation to the issue of Covered Bonds from time to time in accordance with the Programme, the Issuer may make Advances under the Intercompany Loan Agreement to the Covered Bond Guarantor, the proceeds of which may be applied in whole or in part by the Covered Bond Guarantor to acquire Loans and their Related Security (or an interest in the Assets Trust thereto) from the Seller. In consideration of a declaration of trust in respect of the CPF Loans and their Related Security in favour of the CBG Beneficiary, the Seller will receive a purchase consideration equivalent to the Initial Contribution or relevant Additional Contribution (as the case may be), which will be satisfied by a combination of:
 - (i) a cash payment (if any) in Singapore dollars (which shall be equal to the Principal Balance of the New Loans (which are CPF Loans) as at the Cut-off Date plus Accrued Interest, Arrears of Interest and any other amounts due in respect thereof up to (but excluding) the Cut-off Date) to be made by the Covered Bond Guarantor from the proceeds of the relevant Advance and/or Subordinated Advance or set-off against such Advance and/or Subordinated Advance and/or, from Available Principal Receipts in accordance with the relevant Priorities of Payments unless an Asset Coverage Test Breach Notice has been served and remains outstanding; and
 - (ii) the Early Repayment Charge Receipts received by the CBG Beneficiary (or the Assets Trustee on its behalf) in respect of the CPF Loans included in the New Portfolio.

In addition to the purchase consideration above, the CBG Beneficiary shall also pay to the Seller as part of the purchase consideration for the CPF Loans and their Related Security in the Portfolio an amount equivalent to the Deferred Contribution Consideration in accordance with the relevant Priorities of Payments.

- (b) *Second*, prior to service of an Asset Coverage Test Breach Notice on the Covered Bond Guarantor or following the revocation of an Asset Coverage Test Breach Notice, the Covered Bond Guarantor may use the Available Principal Receipts towards Additional Contributions to be made to the Assets Trustee to acquire New Loans (which are CPF Loans) and their Related Security on any Singapore Business Day (including a CBG Payment Date).
- (c) *Third*, the Covered Bond Guarantor and the Seller are required to ensure that the Portfolio is maintained at all times in compliance with the Asset Coverage Test (as determined by the Cash Manager on each Calculation Date). If the Covered Bond Guarantor receives written notification from the Cash Manager that the Adjusted Aggregate Loan Amount does not comply with the Asset Coverage Test as determined by the Cash Manager as of any Calculation Date then the Covered Bond Guarantor will use all commercially reasonable endeavours to acquire further Loans and their Related Security from the Seller and/or obtain an Advance or a Subordinated Advance to ensure that the Asset Coverage Test is met as of the next Calculation Date. If any New Loans are CPF Loans, the Seller undertakes to use all reasonable endeavours to offer to sell to the Covered Bond Guarantor by complying with the procedure in the Declaration of Assets Trust and the Covered Bond Guarantor undertakes to use all reasonable endeavours to acquire from the Seller sufficient New Loans (which are CPF Loans) and their Related Security (and any related Top-up Loans) in accordance with the provisions of the Declaration of Assets Trust together with any New Loans (which are Non-CPF Loans) and their Related Security (and any related Top-up Loans) offered to be sold by the Seller to the Covered Bond Guarantor under the Mortgage Sale Agreement, so that the Adjusted Aggregate Loan Amount is maintained at all times in compliance with the Asset Coverage Test as determined by the Cash Manager as of each Calculation Date **PROVIDED THAT** the Seller shall not be obliged to offer to sell to the CBG New Loans and their Related Security (and any related Top-up Loans) if in the reasonable opinion of the Seller the sale to the Covered Bond Guarantor of such New Loans and their Related Security (and any related Top-up Loans) would adversely affect the business or financial condition of the Seller. In the case of a sale of CPF Loans and their Related Security (and any related Top-up Loans) by the Seller to the Covered Bond Guarantor pursuant to the Declaration of Assets Trust, the relevant CPF Loans and their Related Security (and any related Top-up Loans) shall become Trust Assets (and be subject to the Assets Trust made in favour of the CBG Beneficiary) and the CBG Beneficiary shall make

an Additional Contribution (which shall be funded in accordance with the terms of this Deed) to the Assets Trust which shall be applied by the Assets Trustee towards payment to the Seller of the purchase consideration for the acquisition of the relevant CPF Loans and their Related Security (and any related Top-up Loans).

If Selected Loans are sold by or on behalf of the Covered Bond Guarantor (see "*Establishment Deed – Sale of Selected Loans following service of a Notice to Pay*"), the obligations of the Seller insofar as they relate to those Selected Loans will cease to apply.

The Seller will also be required to accept surrender of the Trust Assets relating to such CPF Loans and their Related Security (and any related Top-up Loans) sold to the Covered Bond Guarantor or to which a trust had been declared in favour of the CBG Beneficiary in the circumstances described below under "*Surrender of Loans*".

Trust Property

In accordance with and pursuant to the terms of the Declaration of Assets Trust, the Assets Trustee declares itself as trustee and agrees to hold:

- (a) (in respect of the Initial Portfolio) all the Seller's rights, estate, title, interests, benefits and remedies on and from the Cut-off Date in and to each and every CPF Loan and Related Security comprised in the Initial Portfolio and any related Top-up Loans; and
- (b) (in respect of each New Portfolio) all the Seller's rights, estate, title, interests, benefits and remedies on and from the Cut-off Date in and to each and every CPF Loan and Related Security comprised in such New Portfolio and any related Top-up Loans,

on and from the First Closing Date on trust absolutely as to both capital and income for the CBG Beneficiary, upon, with and subject to the trusts, powers and provisions of the Declaration of Assets Trust (such trust, the "**Assets Trust**"), and the Assets Trustee and the CBG Beneficiary agree that the Assets Trustee shall deal with all Principal Receipts and Revenue Receipts in respect of the CPF Loans and their Related Security comprised in the Portfolios (and any related Top-up Loans) and/or, as the case may be, receipts from the enforcement of any Related Security related to a CPF Loan and/or any other receipts from the Trust Assets (including any Top-up Loans) in accordance with the terms of the Declaration of Assets Trust.

The CBG Beneficiary has covenanted in the Singapore Deed of Charge that it shall not call, request or act in any manner to transfer legal title in any of the Trust Assets from the Assets Trustee to itself without the prior written consent of the Security Trustee. The Security Trustee has covenanted in the Singapore Deed of Charge that it shall not consent to any such transfer of legal title in the Trust Assets to the CBG Beneficiary in any circumstances.

In respect of any CPF Loan and any Top-up Loan which is at such time part of the Trust Assets, upon and after any increase in the Principal Balance in respect of such CPF Loan and/or any increase in the outstanding principal balance of such Top-up Loan after the relevant Closing Date, the increase in such Principal Balance of such CPF Loan and/or any increase in the outstanding principal balance of such Top-up Loan (and, for the avoidance of doubt, the rights to receive increased payment amounts from Borrowers, Mortgagors, sureties, guarantors and/or any other relevant persons as a result thereof) shall automatically be added to and form part of the Trust Assets and be held on trust by the Assets Trustee. The CBG Beneficiary shall, on each CBG Payment Date and by way of consideration in respect of such increase in the Principal Balance of such CPF Loan and/or any increase in the outstanding principal balance of such Top-up Loan during the immediately preceding Calculation Period, pay on such CBG Payment Date (as calculated on the immediately preceding Calculation Date by the Cash Manager) to the Assets Trustee an Additional Contribution equal to the amount of such increase in the Principal Balance or increase in the outstanding principal balance. The Seller, the Assets Trustee and the CBG Beneficiary acknowledge that, in accordance with and subject to the fulfilment of the conditions set out in the Intercompany Loan Agreement, an increase in the Principal Balance of a CPF Loan comprised in the Portfolio shall be funded by the application of the relevant Deemed Advance unless the Deemed Advance Preconditions have not been met. If the Deemed Advance Preconditions set out in the Intercompany Loan Agreement have not been satisfied on the relevant Calculation Date or CBG Payment Date (as applicable), then, in accordance

with the terms of the Subordinated Loan Agreement, the amount that would otherwise have constituted a Deemed Advance will, instead, constitute a Deemed Subordinated Advance.

Conditions to Sale of CPF Loans and their Related Security and Eligibility Criteria

The sale of CPF Loans and their Related Security (and any related Top-up Loans) to the CBG Beneficiary will be subject to various conditions and the Eligibility Criteria being satisfied on the relevant Closing Date. The sale conditions include:

- (a) no Issuer Event of Default or Covered Bond Guarantor Event of Default or Insolvency Event in respect of the Seller shall have occurred which is continuing after the giving of notice and any applicable grace period as at the relevant Closing Date;
- (b) such sale or declaration of trust is not contrary to any direction given by MAS;
- (c) the Covered Bond Guarantor, acting on the advice of the Cash Manager, is not aware, and could not reasonably be expected to be aware, that the purchase of the New Portfolio on the relevant Closing Date would adversely affect the then current ratings of the Covered Bonds; and
- (d) each New Loan (which is a CPF Loan) is in compliance with the Eligibility Criteria.

Contributions to the Assets Trust

Subject to compliance with the Eligibility Criteria (as defined in "*Summary of the Principal Documents – Mortgage Sale Agreement – Conditions to Sale of Non-CPF Loans and their Related Security and Eligibility Criteria*" above), the Covered Bond Guarantor will use part of the initial Advance to pay to the Seller as consideration for acquiring an interest in the CPF Loans and their Related Security contributed by the Seller on the First Closing Date to the Assets Trust in accordance with the terms of the Declaration of Assets Trust.

Subject to compliance with the Eligibility Criteria, the Covered Bond Guarantor will use additional Advances to make Additional Contributions to the Assets Trustee to acquire New Loans which are CPF Loans and their Related Security from the Seller. The Additional Contribution shall be an amount equal to the Principal Balance of such CPF Loans and the outstanding principal balance of such Top-up Loans comprising the New Portfolio. Any Additional Contributions shall be funded by the CBG Beneficiary from, as applicable, (a) Available Principal Receipts subject to and in accordance with the applicable Priority of Payments; and/or (b) the proceeds of any Advance pursuant to the Intercompany Loan Agreement (in a maximum amount equal to the aggregate of the Principal Balance of the CPF Loans to be acquired by the CBG Beneficiary by applying such Advance); and/or (c) (if applicable) the proceeds of any Subordinated Advance pursuant to the Subordinated Loan Agreement (in a maximum amount equal to the aggregate of the Principal Balance of the CPF Loans to be acquired by the CBG Beneficiary by applying such Subordinated Advance); and/or (d) (if applicable due to the inclusion of any Top-up Loans (or any increase in the outstanding balance thereof)) the proceeds of any Deemed Ancillary Intercompany Loan Advances pursuant to the Ancillary Intercompany Loan Agreement (in a maximum amount equal to the aggregate of the Top-up Loans to be acquired by the CBG Beneficiary by applying such Deemed Ancillary Intercompany Loan Advance), in each case, subject to and in accordance with the provisions of the Declaration of Assets Trust and the Establishment Deed.

Pursuant to the terms of the Declaration of Assets Trust, the CBG Beneficiary has agreed from time to time to pay a Deferred Contribution on a CBG Payment Date to the Assets Trustee subject to Deferred Contribution Consideration being paid to the Seller in accordance with the relevant Priorities of Payment. Such Deferred Contributions shall be deemed to be paid to the Assets Trustee if Deferred Contribution Consideration is made to the Seller by the CBG Beneficiary (or the Assets Trustee on its behalf) in accordance with the relevant Priorities of Payments. Deferred Contributions will not form part of the Trust Assets on payment to the Seller.

Prior to the occurrence of a Covered Bond Guarantor Event of Default, if the Seller at any time and from time to time serves a properly completed New Portfolio Notice in duplicate with a copy to the Security Trustee (such service to be in the Seller's sole discretion), the Seller agrees that on the date for completion of the sale specified in such New Portfolio Notice the Seller shall sell to the CBG Beneficiary all its rights, estate, title, interests, benefits and remedies in the Top-up Loans specified in such New Portfolio Notice on and from the Cut-off Date.

A Top-up Loan may be used by the Borrower and/or the Mortgagor for purposes other than the financing or refinancing the acquisition of a residential property the repayment of which is subordinated to such Loan and any CPF Funds withdrawn to finance or service such Loan in terms of priorities of repayment. Top-up Loans will not be taken into account in the calculation of the Asset Coverage Test.

Representations and Warranties in relation to CPF Loans

None of the Covered Bond Guarantor, the CBG Beneficiary, the Security Trustee or the Bond Trustee has made or has caused to be made on its behalf any enquiries, searches or investigations in respect of the CPF Loans and their Related Security (and any related Top-up Loans) to be sold to the CBG Beneficiary. Instead, each is relying entirely on the Representations and Warranties by the Seller and the Assets Trustee Representations and Warranties contained in the Declaration of Assets Trust. The parties to the Declaration of Assets Trust may, with the prior written consent of the Security Trustee (which shall be given if the Rating Agencies have confirmed in writing that the amendment will not impact, result in the reduction, qualification, suspension or withdrawal of the current rating of the Covered Bonds and the Cash Manager has certified that such waiver or amendment will not have a Material Adverse Effect under limbs (c) and (d) of the definition thereof), amend the Assets Trustee Representations and Warranties in the Declaration of Assets Trust. The Representations and Warranties and Assets Trustee Representations and Warranties include the following and are given on the relevant Closing Date in respect of the CPF Loans and their Related Security to be sold to the CBG Beneficiary only on that date:

- (a) at the time the Seller entered into any Loan, it did so in good faith and for the purpose of carrying on its business and at the time it did so there were reasonable grounds for believing that the transaction would benefit the Seller, and each Loan was made substantially on the terms of the Standard Documentation without any material variation (subject only to exceptions as would be acceptable to a Reasonable, Prudent Mortgage Lender);
- (b) each Loan and its Related Security was originated in the Seller's ordinary course of business and in accordance with the Seller's Lending Criteria in force at the time of its origination;
- (c) the Seller is under no obligation to make further amounts available under each Loan or its Related Security to any Borrower and/or any Mortgagor other than as required by applicable laws;
- (d) at the time the Seller entered into the Mortgage relating to each Loan, it is in compliance with MAS Notice 632 in effect at that point in time issued by MAS to banks (as defined under the Banking Act) in respect of residential property loans from time to time;
- (e) each Loan and its Related Security is valid, binding and enforceable against the relevant Borrower(s), (if different) the relevant Mortgagor(s) and (if applicable) the relevant surety(ies) (except that enforceability may be limited by bankruptcy, insolvency, moratorium or other similar laws of general application relating to or affecting the rights of creditors and the court's discretion in relation to equitable remedies);
- (f) each Related Security secures the repayment of all advances, interest, costs and expenses payable by the relevant Borrower and/or Mortgagor in respect of the related Loan;
- (g) prior to making a Loan, the Seller instructed or required to be instructed on its behalf solicitors to carry out all investigations and searches in relation to the relevant Property that would have been undertaken by the Seller acting in accordance with standards consistent with those of a Reasonable, Prudent Mortgage Lender lending to borrowers in Singapore;
- (h) prior to disbursing a Loan, an independent valuation may have been carried out or instructed by one of the then Seller's valuers or panel managers on the relevant Property (either on a desk-top basis or as a result of a physical visit), and the results of any such obtained valuation would have been acceptable to a Reasonable, Prudent Mortgage Lender;
- (i) the Mortgage Conditions in respect of each Loan and Related Security require that a policy of fire insurance be arranged by or on behalf of the Borrower and (if different) the Mortgagor for each Property and such policy has actually been arranged;
- (j) at the time when a Loan was disbursed or the mortgage or other security for the Loan was created, to the best of the Seller's knowledge, the Seller had not received written notice of the bankruptcy,

voluntary arrangement, or similar insolvency process of the relevant Borrower, (if different) the relevant Mortgagor and/or (if applicable) the relevant surety(ies);

- (k) the Loans comply with the Eligibility Criteria;
- (l) no Loan constitutes a New Loan Type in respect of which a Rating Agency Confirmation that such New Loan Type may be sold to the Covered Bond Guarantor has been received;
- (m) each of the Borrowers, Mortgagors and (where applicable) guarantors of such Loan is an individual and was at least 21 years of age at the time for the origination of the Loan;
- (n) the Seller is the sole legal and beneficial owner of each Loan and its Related Security and no prior ranking security interest over any Loan or its Related Security exists other than the Seller's, save for (i) any charge registered or notified by the CPF Board in respect of the withdrawal of CPF Funds from the Mortgagor's account(s) with the CPF Board, (ii) any statutory charge in favour of the tax authority in respect of unpaid property tax, (iii) any charge registered in favour of the relevant management corporation of the estate comprising the Property in respect of unpaid amounts or contributions, (iv) any statutory charge in favour of the tax authority in respect of unpaid estate duty (where applicable) and (v) any other charges arising under any written law;
- (o) all approvals and consents necessary to permit an equitable or beneficial transfer of, or a declaration of trust over (i) the Loans and (ii) their Related Security to be sold under the Mortgage Sale Agreement (or in the case of CPF Loans and their Related Security, to be subject to the terms of the Assets Trust) have been obtained (including consents of insurers for assignment of rights and interests under relevant insurance policies), save for the consent from the CPF Board to the transfer of CPF Loans, Converted Loans and their Related Security to the Replacement Assets Trustee or a Relevant Purchaser;
- (p) the Seller holds in its possession or control the Title Deed in relation to the Property, the relevant Loan File and the Mortgage;
- (q) the Seller has, since the making of each Loan, kept or procured the keeping of full and proper accounts, books and records showing all material transactions relating to such Loan;
- (r) all authorisations, approvals, licences or consents required as appropriate for the Seller to enter into or perform its material obligations under the Declaration of Assets Trust have been obtained, save for the consent from the CPF Board to the transfer of CPF Loans, Converted Loans and their Related Security to a Purchaser(s) or the Replacement Assets Trustee; and
- (s) each of the Mortgages has been duly stamped.

If New Loan Types are to be included in the Assets Trust, then the Assets Trustee Representations and Warranties in the Declaration of Assets Trust will be waived or modified as required to accommodate these New Loan Types, **provided that** the Rating Agencies have confirmed in writing that the amendment will not impact, result in the reduction, qualification, suspension or withdrawal of the current rating of the Covered Bonds and the Cash Manager has certified that such waiver or amendment will not have a Material Adverse Effect under limbs (c) and (d) of the definition thereof. The prior consent of the Covered Bondholders to the requisite amendments will not be required to be obtained. In relation to any New Portfolio to be included in the Assets Trust which includes any loans which are New Loan Types, the Assets Trustee shall also procure that legal opinions opining on, among other things, the validity of the Assets Trust over such New Loans be provided to the CBG Beneficiary and the Security Trustee in such form as may be reasonably required by the Security Trustee and the CBG Beneficiary.

Surrender of Loans

If the Seller receives a Loan Repurchase Notice from the CBG Beneficiary or the Cash Manager on behalf of the CBG Beneficiary identifying a Loan or its Related Security in the Portfolio which does not, as at the relevant Closing Date, materially comply with the Assets Trustee Representations and Warranties set out in the Declaration of Assets Trust, then the Assets Trustee will be required to accept surrender of the CBG Beneficiary's beneficial interest in the relevant CPF Loan and its Related Security (and any related Top-up Loans) that are included in the Portfolio (including, for the avoidance of doubt, where legal title to such CPF Loans and their Related Security (and any related Top-up Loans) have been transferred to a

Replacement Assets Trustee). The repurchase price payable upon purchase of any CPF Loan (or, as the case may be, Defaulted Loan) is an amount (not less than zero) equal to the Principal Balance of such CPF Loan (or, as the case may be, Defaulted Loan) and any expenses as at the date of completion of such repurchase or re-transfer, plus Accrued Interest, Arrears of Interest and any other amounts due in respect thereof up to (but excluding) the date falling one Singapore Business Day prior to the relevant repurchase date. Any repurchase price received from the sale of such CPF Loan (or, as the case may be, Defaulted Loan) and its Related Security by the Assets Trustee (or the Covered Bond Guarantor) will be applied in accordance with the relevant Priorities of Payments. See "*Cashflows and Priorities of Payments*". The repurchase price payable upon the repurchase of any related Top-up Loan is an amount (not less than zero) equal to the outstanding principal balance of the Top-up Loan as at the relevant repurchase date, plus Accrued Interest, Arrears of Interest and any other amounts due in respect thereof up to (but excluding) the date falling one Singapore Business Day prior to the relevant repurchase date. Any repurchase proceeds received from the sale of such Top-up Loan shall be applied outside the Priorities of Payments towards the repayment of the Ancillary Intercompany Loan. Upon completion of the purchase or repurchase by the Seller of any CPF Loan and its Related Security (and any related Top-up Loans) in accordance with the Declaration of Assets Trust, such CPF Loan and its Related Security (and any related Top-up Loans) shall thereupon be released and shall cease to form part of the Trust Assets.

Distributions of principal and interest

Pursuant to the terms of the Cash Management Agreement, the Cash Manager will be responsible for providing cash management services to the Assets Trustee in respect of the Assets Trust and the calculations and payments to be made pursuant to, and in accordance with, the Declaration of Assets Trust and shall be responsible for, *inter alia*, determining and distributing interest amounts, principal amounts and Top-up Receipts on behalf of the Assets Trustee on each CBG Payment Date.

General ability to repurchase

Prior to the occurrence of an Issuer Event of Default, the Seller may (at its sole discretion) from time to time offer to repurchase (a) a CPF Loan and its Related Security (and any related Top-up Loans) and/or (b) a Defaulted Loan (which is a CPF Loan) and its Related Security (and any related Top-up Loans). The CBG Beneficiary may at its absolute discretion accept such offer, and, if it does so, the CBG Beneficiary shall accordingly release and surrender to the Assets Trustee and shall direct the Assets Trustee to accept surrender, free from the Security created by or pursuant to the Deeds of Charge, its interest in the relevant CPF Loan (or, as the case may be, the relevant Defaulted Loan and/or Top-up Loan) and its Related Security (and any related Top-up Loans). For the avoidance of doubt, such CPF Loan (or, as the case may be, the relevant Defaulted Loan) and its Related Security (and any related Top-up Loans) shall only cease to be Trust Assets upon receipt by the CBG Beneficiary of the Distribution in accordance with the Declaration of Assets Trust. For the avoidance of doubt, the consent of the Security Trustee shall not be required in respect of any such repurchase.

Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee

In certain limited circumstances following the occurrence of a Replacement Assets Trustee Event (as defined below), legal title to the CPF Loans and their Related Security (and any related Top-up Loans) may be required to be transferred to effect an appointment of a Replacement Assets Trustee. In the case of the transfer of Mortgages relating to CPF Loans and their Related Security or Selected Loans (which are CPF Loans) to the Replacement Assets Trustee or a Relevant Purchaser, the transfer of such Mortgages, such CPF Loans and their Related Security or such Selected Loans (which are CPF Loans) shall be subject to the Assets Trustee or the CBG Beneficiary having procured or caused to be procured any one of the Requisite CPF Loan Legal Title Transfer Approvals (unless the consent of the CPF Board to the transfer of the Mortgages relating to CPF Loans is not required in order for the transferee of such Mortgages to be accorded the priority of payments over the CPF Board in relation to the application of any proceeds from the realisation of the relevant Property). Prior to any one of the Requisite CPF Loan Legal Title Transfer Approvals being obtained and unless the consent of the CPF Board to the transfer of the Mortgages relating to CPF Loans is not required, the CBG Beneficiary and the Assets Trustee shall use reasonable endeavours to concurrently seek all of the Requisite CPF Loan Legal Title Transfer Approvals (set out in paragraphs (a) to (c) of the definition of such term) that are necessary to effect such transfer and, for this purpose, the party procuring a Requisite CPF Loan Legal Title Transfer Approval relating to section 55B of the Banking Act, and/or sections 210 and 212 of the Companies Act shall use reasonable endeavours to:

- (a) obtain such consents and/or certifications (including ministerial consents and/or certifications) or waiver of the requirement for such consents and/or certifications;
- (b) prepare, file, publish, submit, lodge, register and/or serve such reports, notices, summaries, supporting documents and court applications; and
- (c) convene or arrange for such creditors meeting(s),

in each case, as may be required to obtain such Requisite CPF Loan Legal Title Transfer Approval.

Prior to any Requisite CPF Loan Legal Title Transfer Approval being obtained, such CPF Loans and their Related Security (and any related Top-up Loans) shall continue to be held by the Assets Trustee pursuant to the terms of the Declaration of Assets Trust and subject to the terms of the Transaction Documents (including, but not limited to, the Servicing Agreement).

In the event that the CBG Beneficiary and the Assets Trustee fail to obtain any one of the Requisite CPF Loan Legal Title Transfer Approvals in respect of a proposed transfer of the legal title to all or any Selected Loans (which are CPF Loans) to a Relevant Purchaser, the Declaration of Assets Trust sets out certain provisions for the CBG Beneficiary to assign absolutely its beneficial interest in all or any Selected Loans (which are CPF Loans) to a purchaser. Each such assignee shall have all rights and remedies in relation to the respective Selected Loans (which are CPF Loans) under the Assets Trust which are beneficially owned by it (including, but not limited to, the right to sell its beneficial interest to any Selected Loans (which are CPF Loans) under the Assets Trust which are beneficially owned by it to such other party as it may select).

The Assets Trustee or, as the case may be, the Replacement Assets Trustee, shall at all times segregate and keep separately identifiable the CPF Loans and their Related Security (and any related Top-up Loans) held by the CBG Beneficiary and any such assignees to the extent of each of their respective beneficial interests in the Selected Loans (which are CPF Loan(s) and Related Security (and any related Top-up Loans)) under the Assets Trust.

In respect of a sale of Selected Loans which are CPF Loans and their Related Security (and any related Top-up Loans) to a Purchaser, please see the section "*Establishment Deed – Method of Sale of Selected Loans*" below.

The Assets Trustee and the CBG Beneficiary shall, upon the occurrence of any of the events set out in paragraphs (a) to (f) below, use reasonable endeavours to appoint a Replacement Assets Trustee:

- (a) the occurrence of an Issuer Event of Default and service on the Issuer of an Issuer Acceleration Notice and the service on the Covered Bond Guarantor of a Notice to Pay (or, if earlier, following the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantor Acceleration Notice), except that the appointment of a Replacement Assets Trustee in respect of Selected Loans (which are CPF Loans) described in a Selected Loans Offer Notice is not required if the Seller has notified the CBG and/or the Assets Trustee that it will accept the offer set out in the Selected Loans Offer Notice within the prescribed time;
- (b) the Assets Trustee and/or the CBG Beneficiary being required: (i) by law; (ii) by an order of a court of competent jurisdiction; (iii) by a regulatory authority which has jurisdiction over the Seller; or (iv) by any organisation of which the Seller is a member, or whose members comprise, but are not necessarily limited to, mortgage lenders and with whose instructions it is customary for the Seller to comply, to transfer legal title to the CPF Loans;
- (c) the occurrence of an Insolvency Event in respect of the Assets Trustee;
- (d) the termination or resignation of the Seller as Servicer under the Servicing Agreement unless:
 - (i) at the relevant date of termination or resignation, any substitute servicer is a member of the SCPLC Group; or
 - (ii) the Security Trustee otherwise consents (such consent to be given if a Rating Agency Confirmation has been delivered by the Issuer to the CBG Beneficiary and the Security Trustee in respect of the termination or resignation of the Seller as Servicer);

- (e) the Assets Trustee requesting a transfer of legal title to the Replacement Assets Trustee by giving notice in writing to the CBG Beneficiary and the Security Trustee; or
- (f) the Assets Trustee's long-term unsecured and unsubordinated debt obligations cease to be rated at least Baa3 by Moody's and BBB- by S&P,

the events in paragraphs (a) to (f) above, together, "**Replacement Assets Trustee Events**".

In the case of the occurrence of a Replacement Assets Trustee Event or, in the case of Selected Loans only, at the request of the CBG Beneficiary following the acceptance of any offer to sell the Selected Loans to any Purchaser who is not the Seller, the Assets Trustee shall within 30 days after the obtaining of a Requisite CPF Loan Legal Title Transfer Approval, submit or deliver all relevant documents, notifications, forms, instruments and applications to the relevant parties as may be necessary to effect the transfer of the legal title of the CPF Loans and their Related Security (and any related Top-up Loans) (or, where specified above, the Selected Loans (which are CPF Loans)) to the Replacement Assets Trustee or (where applicable) the Relevant Purchaser.

Except where any registration or recording may be pending at the Land Registry, the Title Deeds and Loan Files relating to the Loans in the Portfolio (and any related Top-up Loans) will be held or controlled by or to the order of the Assets Trustee or the Servicer, as the case may be, or by solicitors acting for the Seller in connection with the creation of the CPF Loans and their Related Security in the Portfolio (and any related Top-up Loans). The Assets Trustee or the Servicer, as the case may be, will undertake that all the Title Deeds and Loan Files relating to the CPF Loans in the Portfolio which are at any time in their possession or under their control or held to their order will be held to the order of the Security Trustee or as the Security Trustee may direct.

"**Requisite CPF Loan Legal Title Transfer Approval**" means, in relation to a proposed transfer of the legal title to any CPF Loans and their Related Security (and any related Top-up Loans) held by the Assets Trustee under the Declaration of Assets Trust either to a Replacement Assets Trustee or as part of a sale of Selected Loans to a Purchaser, any one of the following:

- (a) where the proposed transferee is an entity licensed to carry on banking business in Singapore, obtaining a Section 55B/C Court Order (as defined below) approving the transfer of that part of the Assets Trustee's banking business that comprises legal title to such CPF Loans and their Related Security (including any related Top-up Loans) (without any requirement to obtain prior consent from the CPF Board prior to implementing such court-sanctioned Section 55B/C Transfer);
- (b) (whether or not the proposed transferee is an entity licensed to carry on banking business in Singapore) the prior consent of the CPF Board to effect such transfer of the Mortgages relating to such CPF Loans; and
- (c) where the proposed transferee is not an entity licensed to carry on banking business in Singapore:
 - (i) a Sections 210/212 Court Order (as defined below) approving the transfer of that part of the Assets Trustee's banking business that comprises legal title to such CPF Loans and their Related Security (including any related Top-up Loans); and (ii) the prior consent from the CPF Board to such transfer of the Mortgages relating to such CPF Loans (or a confirmation from the CPF Board that such consent is not required).

Right of pre-emption

Under the terms of the Declaration of Assets Trust, the Seller has a right of pre-emption in respect of any sale, in whole or in part, of Selected Loans (and any related Top-up Loans).

The Assets Trustee and the CBG Beneficiary will serve on the Seller a Selected Loans Offer Notice offering to sell Selected Loans (which are CPF Loans) which, when aggregated with those Selected Loans (which are Non-CPF Loans) to be offered for sale in accordance with the Mortgage Sale Agreement, comprise an offer price of: (a) where the Selected Loans Offer Notice is given following a breach of the Pre-Maturity Test in respect of any Series of Hard Bullet Covered Bonds and the Pre-Maturity Liquidity Ledger is not funded by the required amount, the greater of the then Principal Balance of the Selected Loans plus any Accrued Interest and Arrears of Interest due in respect of such Selected Loans up to (but excluding the relevant date of completion of sale of such Selected Loans and the Adjusted Required Redemption Amount; (b) where the Selected Loans Offer Notice is given following the service of an Asset Coverage Test Breach

Notice but prior to the service of a Notice to Pay, the Principal Balance of the Selected Loans plus any Accrued Interest and Arrears of Interest due in respect of such Selected Loans up to (but excluding) the relevant date of completion of sale of such Selected Loans; or (c) where the Selected Loans Offer Notice is given following the service of a Notice to Pay, the greater of the Principal Balance of the Selected Loans plus any Accrued Interest and Arrears of Interest due in respect of such Selected Loans up to (but excluding) the relevant date of completion of sale of such Selected Loans and the Adjusted Required Redemption Amount, in each case, subject to the offer being accepted by the Seller within 20 Singapore Business Days. The related Top-up Loans, if any, shall be offered for an offer price equal to the outstanding principal balance of the related Top-up Loans, plus accrued interest and any other amounts due in respect thereof up to (but excluding) the relevant transfer date in respect of such Top-up Loans.

If an Issuer Event of Default has occurred but no liquidator or judicial manager has been appointed in respect of the Seller, the Seller's right to accept the offer (and therefore its right of pre-emption) will be conditional upon the delivery by the Seller of a solvency certificate to the CBG Beneficiary and the Security Trustee. If the Seller rejects the Assets Trustee and the CBG Beneficiary's offer or fails to accept it in accordance with the foregoing, the Assets Trustee and the CBG Beneficiary will offer to sell the Selected Loans to other Purchasers (see "*Establishment Deed – Method of Sale of Selected Loans*" below).

If the Seller accepts the Assets Trustee and the CBG Beneficiary's offer to sell the Selected Loans, the CBG Beneficiary and the Assets Trustee shall, within three Singapore Business Days of receipt of such acceptance, serve a Selected Loans Repurchase Notice on the Seller. The Seller will sign and return a duplicate copy of the Selected Loans Repurchase Notice and shall repurchase from the CBG Beneficiary and the Assets Trustee, free from the Security created by and pursuant to the Singapore Deed of Charge, the relevant Selected Loans (which are CPF Loans) referred to in the relevant Selected Loans Repurchase Notice. Completion of the purchase of the Selected Loans (which are CPF Loans) by the Seller shall take place on the CBG Payment Date next occurring after receipt by the Seller of such Selected Loans Repurchase Notice or such date as the CBG Beneficiary and the Assets Trustee may direct in the Selected Loans Repurchase Notice (**provided that** such date shall not be later than the earlier to occur of the date which is: (a) 10 Singapore Business Days after receipt by the CBG Beneficiary and the Assets Trustee of the returned Selected Loans Repurchase Notice; and (b) the Maturity Date, as applicable, of the relevant Series of Hard Bullet Covered Bonds or of the Earliest Maturing Covered Bonds).

Section 55B of the Banking Act

Section 55B of the Banking Act provides a mechanism for a bank to voluntarily transfer the whole or part of its business (including its non-banking business) to a transferee which is licensed by the MAS to carry on banking business in Singapore, and such business that may be transferred by a bank under this section includes a transfer of the legal title to any of the CPF Loans and their Related Security (and any related Top-up Loans) held in the Assets Trust. Under such section, a transferor would seek an order of the General Division of the High Court of Singapore (which the court has the power to grant) which would transfer that part of the Assets Trustee's banking business that comprises legal title to such CPF Loans and their Related Security (and, where applicable, any related Top-up Loans) pursuant to Sections 55A to C of Part 7A of the Banking Act (a "**Section 55B/C Transfer**") and which is sufficiently wide to obviate any requirement to seek the prior consent of the CPF Board to the transfer of Mortgages related to any CPF Loans held under the Declaration of Assets Trust. Such powers of the General Division of the High Court of Singapore in relation to Sections 55B and 55C of the Banking Act are broad enough to: (a) enable the General Division of the High Court of Singapore (if it is prepared to) to grant an order which would entitle the Replacement Assets Trustee to the same rights and priorities as the Assets Trustee would have been entitled to in relation to the CPF Loans and their Related Security (and any related Top-up Loans) if the transfer had not taken place; and (b) enable a transfer to be made in the absence of the consent of the CPF Board.

A Section 55B/C Transfer procedure may be undertaken by SCBSL itself (in its capacity as Assets Trustee) or, be effected by the CBG Beneficiary acting in the name of SCBSL as the Assets Trustee under the Assets Trustee Power of Attorney (including in a post-insolvency situation of SCBSL) after the occurrence of any Replacement Assets Trustee Event.

Whether an order will be made approving the Section 55B/C Transfer will depend on the circumstances of the case and there is no guarantee that such an order will be made. In summary, the procedural requirements for a Section 55B/C Transfer are as follows:

- (a) before an application is made to the General Division of the High Court of Singapore for a Section 55B/C Court Order:
 - (i) the transferor obtaining the consent of the Minister (who is charged by the Prime Minister of Singapore with responsibility for banking matters) or his certification that such consent is not required. In this regard, such Minister will consider whether the MAS has been satisfied that the transferee is a fit and proper person who will conduct the business prudently and comply with the provisions of the Banking Act, and whether it is in the national interest to grant such consent. Such Minister is entitled, in considering such grant of consent, to appoint a party to independently assess and produce a report on the proposed Section 55B/C Transfer;
 - (ii) the transferor lodging a report with the MAS ("**Section 55B MAS Report**") setting out details of the transfer (with supporting documentation);
 - (iii) (if the transferor and the transferee intend to serve on their respective customers a summary of the transfer) the transferor and the transferee filing a summary ("**Section 55B Customer Summary**") of the proposed transfer which is to be sent to the affected customers (i.e. the Borrowers and/or Mortgagors, as the case may be, under the relevant CPF Loans) for prior approval by the MAS;
 - (iv) the transferor publishing in the Gazette and in such newspapers as the MAS requires a notice of its intention to make such application together with such other particulars as may be prescribed by the MAS (such notice to be published not less than 15 days before such application is made and not earlier than one month after the Section 55B MAS Report is lodged with the MAS);
 - (v) the transferor and the transferee keeping at their respective offices in Singapore a copy of the Section 55B MAS Report for a period of 15 days after the publication of the notice in the Gazette, for the inspection by any person who may be affected by the transfer; and
 - (vi) the transferor and the transferee serving a copy of the Section 55B MAS Report and the Section 55B Customer Summary (as approved by the MAS) on the Borrowers of the relevant CPF Loans at least 15 days before such application;
- (b) the transferor obtaining an order made by the General Division of the High Court of Singapore approving a Section 55B/C Transfer and which is sufficiently wide to obviate any requirement to obtain the consent of the CPF Board to the transfer of the Mortgages related to such CPF Loans held under the Declaration of Assets Trust (a "**Section 55B/C Court Order**");
- (c) the transferor and the transferee each lodging within seven days of the Section 55B/C Court Order:
 - (i) a copy of the Section 55B/C Court Order with the Registrar of Companies;
 - (ii) a copy of the Section 55B/C Court Order with the MAS; and
 - (iii) a copy of the Section 55B/C Court Order certified true by the General Division of the High Court of Singapore with the Singapore Land Authority; and
- (d) the transferor and the transferee executing, stamping, lodging and registering appropriate instruments with the Singapore Land Authority for the transfer and/or vesting of the mortgages.

Third parties who may have an interest in the Trust Assets (including the CPF Loans and their Related Security (and any related Top-up Loans)), such as the MAS, the CPF Board and relevant Borrowers and/or Mortgagors of the CPF Loans, may be entitled to file objections and supporting evidence thereof in advance of the relevant decision hearing.

Sections 55B and 55C of the Banking Act have previously been used in Singapore to effect a transfer of businesses between banks. For example, they were used in the transfer of business of: (1) The Royal Bank of Scotland N.V., Singapore Branch (formally known as ABN AMRO Bank N.V., Singapore Branch) to ABN AMRO II N.V., Singapore Branch in 2010; (2) HSBC Private Bank (Suisse) SA, Singapore Branch to The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch in 2013; and (3) Société Générale Bank & Trust, Singapore Branch to DBS Bank Ltd. in 2014.

Consent of the CPF Board

In the absence of a Section 55B/C Court Order approving a Section 55B/C Transfer, the prior consent of the CPF Board will be required for the transfer of the Mortgages related to the CPF Loans to a proposed transferee of a CPF Loan and its Related Security (and any related Top-up Loans) (whether or not such transferee is an entity licensed to carry on banking business in Singapore). In deciding whether to consent to such a transfer, the CPF Board may consider the following factors. First, there are statutory provisions that facilitate the transfer from the Assets Trustee to the Replacement Assets Trustee of the legal title to the CPF Loans and their Related Security (and, where applicable, any related Top-up Loans) under the Assets Trust. Section 41 of the Trustees Act provides, generally, for vesting of trust property in new or continuing trustees appointed by deed. Section 41, however, does not obviate the need for the CPF Board's consent. Second, where the Replacement Assets Trustee or the Purchaser is a financial institution, the CPF Board may consider that the Replacement Assets Trustee or such Purchaser has the ability to manage the CPF Loans and their Related Security (and any related Top-up Loans), which may be preferable to the management of the CPF Loans and their Related Security (and any related Top-up Loans) by the Seller which is in a distressed situation (such as an Insolvency Event).

Sections 210 and 212 of the Companies Act

Sections 210 and 212 of the Companies Act provide a mechanism for the whole or any part of the undertaking or the property of a banking corporation incorporated in Singapore to be transferred to any transferee, which includes a transfer of the legal title to any of the CPF Loans and their Related Security (and any related Top-up Loans) held in the Assets Trust (a "**Sections 210/212 Scheme**"). The proposed transferee (that is a Singapore-incorporated company) does not need to be an entity licensed to carry on a banking business in Singapore (though it may need to satisfy the relevant licensing requirements under the Moneylenders Act or be exempt from such licensing requirements). A Sections 210/212 Scheme may not obviate the contractual requirement to obtain the CPF Board's consent to the transfer of legal title of the Mortgages related to any CPF Loans held under the Declaration of Assets Trust, and hence (following the procurement of the requisite court and other approvals to the Sections 210/212 Scheme) consent from the CPF Board will also need to be obtained prior to the implementation of such Sections 210/212 Scheme. A Sections 210/212 Scheme procedure may be undertaken by SCBSL itself (in its capacity as Assets Trustee) or, be effected, by the CBG Beneficiary acting in the name of SCBSL as the Assets Trustee under the Assets Trustee Power of Attorney (including in a post-insolvency situation of SCBSL) after the occurrence of any Replacement Assets Trustee Event.

Whether an order will be made approving the Sections 210/212 Scheme will depend on the circumstances of the case and there is no guarantee that such an order will be made. In broad terms, the requirements for a Sections 210/212 Scheme are:

- (a) (if the transferee is licensed to carry on banking business in Singapore) obtaining the consent of the Minister (who is charged by the Prime Minister of Singapore with responsibility for banking matters) or certification that his consent is not required (in granting his consent, the Minister is entitled to appoint an independent party to assess and produce a report on the proposed Sections 210/212 Scheme);
- (b) obtaining a court order (by a summary application) to summon a meeting of the Covered Bondholders;
- (c) obtaining the approval of a requisite majority of Covered Bondholders (a majority in number representing three-fourths (75%) in value of the outstanding nominal amount of all Covered Bonds) voting at the meeting either in person or by proxy; **provided, however, that** this requirement for a majority in number may be obviated if the court so orders;

- (d) based on the Covered Bondholder approval above, obtaining an order made by the General Division of the High Court of Singapore sanctioning a Sections 210/212 Scheme pursuant to Sections 210 and 212 of the Companies Act whereby that part of the Assets Trustee's banking business which comprises legal title to the CPF Loans and their Related Security (and any related Top-up Loans) is approved to be transferred (a "**Sections 210/212 Court Order**"). In considering whether to approve the scheme, the court is likely to consider, *inter alia*: (A) whether the scheme is fair and reasonable to the Covered Bondholders as a whole; (B) whether the applicant (SCBSL or the Covered Bond Guarantor acting under the Assets Trustee Power of Attorney) and the majority Covered Bondholders who granted their approval to the scheme are acting *bona fide*; and (C) whether the minority of Covered Bondholders are being coerced to promote the interest of the majority Covered Bondholders who granted their approval to the scheme;
- (e) the transferor or the transferee lodging within seven days of the Sections 210/212 Court Order;
- (f) a copy of the Sections 210/212 Court Order with the Registrar of Companies of Singapore; and
- (g) a copy of the Sections 210/212 Court Order certified true by the General Division of the High Court of Singapore with the Land Title Registry of the Singapore Land Authority; and
- (h) the transferor and the transferee executing, stamping, lodging and registering appropriate instruments with the Singapore Land Authority for the transfer and/or vesting of the Mortgages.

The consent of the CPF Board to implement such Sections 210/212 Court Order will also be required (see "*Consent of the CPF Board*" above). Further, if the transfer of legal title to the CPF Loans and their Related Security (and any related Top-up Loans) is effected by way of a Sections 210/212 Court Order, this will weigh in favour of the CPF Board granting its consent to the transfer of the Mortgages related to such CPF Loans, as the presence of the relevant Sections 210/212 Court Order means the CPF Board would not be called on to make any decision with regard to who is the rightful party to the CPF Loans and their Related Security (and any related Top-up Loans). Sections 210 (and 212) of the Companies Act have previously been used in Singapore to effect a transfer of businesses. For example, they were used in the integration of banking businesses between: (1) DBS Finance Limited and DBS Bank Ltd in 2001; (2) Keppel TatLee Finance Limited and OCBC Finance Limited in 2002; (3) OCBC Finance Limited and Oversea-Chinese Banking Corporation Limited in 2003; and (4) Overseas Union Trust Limited and United Overseas Bank Limited in 2003.

Assets Trustee Power of Attorney

The Assets Trustee has, in connection with the creation of the Assets Trust, granted by way of deed poll to the CBG Beneficiary a power of attorney (the "**Assets Trustee Power of Attorney**"), following the occurrence of a Replacement Assets Trustee Event, to permit the CBG Beneficiary, each Beneficiary Assignee, the Security Trustee and the Replacement Assets Trustee appointed from time to time in respect of the Trust Assets to take certain actions in the name of the Assets Trustee to ensure the performance by the Assets Trustee of its obligations under the Declaration of Assets Trust, including, among other things:

- (a) to exercise the Assets Trustee's rights, powers and discretions under the Declaration of Assets Trust, in relation to the Trust Assets and/or the CPF Loans and their Related Security (and any related Top-up Loans);
- (b) to demand, sue for, enforce and receive all monies due and payable under the Assets Trust; and
- (c) to open and maintain new account or accounts (including directing Borrowers and/or Mortgagors to pay into, withdraw from or close any such account) relating to any monies due and payable under the Assets Trust or any other related rights thereunder or (without double counting) under the Loans and their Related Security comprising the Trust Assets.

Under the terms of the Assets Trustee Power of Attorney, the CBG Beneficiary may appoint a delegate to exercise its rights, powers and discretions under the Assets Trustee Power of Attorney.

Any Replacement Assets Trustee appointed following the occurrence of a Replacement Assets Trustee Event will grant a power of attorney, equivalent to the Assets Trustee Power of Attorney, to the CBG Beneficiary as part of its appointment.

CPF consent no longer required in future

In circumstances where the approval of the CPF Board is no longer required for the transfer or assignment of the Mortgage over a Property in order for the Covered Bond Guarantor (and any subsequent transferees as contemplated under the Transaction Documents) to be accorded the priority of payments over the CPF Board, the Transaction Documents envisage mechanics for such CPF Loans to be surrendered by the CBG Beneficiary from the Assets Trust and equitably assigned to the Covered Bond Guarantor under the Mortgage Sale Agreement. Following such surrender and re-assignment, such loan will be considered a "Non-CPF Loan". The defined terms "CPF Loans", "Non-CPF Loans" and "Top-up Loans", and the Transaction Documents generally, have been structured to cater for such possibility.

The Declaration of Assets Trust is governed by Singapore law.

Servicing Agreement

Pursuant to the terms of the Servicing Agreement entered into on or about the Programme Date (as amended, restated, supplemented or novated from time to time) between the Covered Bond Guarantor, the CBG Beneficiary, SCBSL (in its capacity as the Seller, the Servicer and the Assets Trustee) and the Security Trustee, the Servicer has agreed to provide services for the Covered Bond Guarantor (in the case of Non-CPF Loans and their Related Security) and the Assets Trustee and CBG Beneficiary (in the case of CPF Loans and their Related Security (and any related Top-up Loans)).

The Seller in its capacity as Servicer will be required to administer the Loans and their Related Security (together with any Top-up Loans) sold by the Seller to the Covered Bond Guarantor (or, as the case may be, contributed to the Assets Trust) in accordance with the Servicing Agreement and:

- (a) as if the Loans and their Related Security (and any related Top-up Loans) sold by the Seller to the Covered Bond Guarantor (or, as the case may be, contributed to the Assets Trust) had not been, or were not to be, sold or contributed but had remained, or were to remain, on the books of the Seller;
- (b) to the extent not otherwise provided for in the Servicing Agreement, in accordance with the Seller's Policy and in compliance with the Moneylenders (Prevention of Money Laundering and Financing of Terrorism) Rules 2009 under the Moneylenders Act; and
- (c) exercise the same level of skill, care and diligence as would a Reasonable, Prudent Mortgage Lender.

The Servicer's actions in administering the Loans in accordance with its procedures will be binding on the Covered Bond Guarantor, the CBG Beneficiary, the Assets Trustee and the Secured Creditors.

The Servicer will have the power to exercise the rights, powers and discretions and to perform the duties of the Covered Bond Guarantor, the CBG Beneficiary and the Assets Trustee in relation to such Loans and their Related Security pursuant to the terms of the Servicing Agreement, and to do anything which it reasonably considers necessary, convenient or incidental to the administration of those Loans and their Related Security together with any related Top-up Loans (or an interest thereto), **provided that** at any time after the service of a Notice to Pay or a Covered Bond Guarantor Acceleration Notice, the Servicer will not execute any Instrument of Postponement prepared for registration against a Property securing a Non-CPF Loan without the prior consent of the Covered Bond Guarantor.

Undertakings of the Servicer

Pursuant to the terms of the Servicing Agreement, the Servicer will undertake in relation to such Loans and their Related Security, *inter alia*, to:

- (a) keep records and books of accounts on behalf of the Covered Bond Guarantor, the Assets Trustee and the CBG Beneficiary in relation to the Loans, the Top-up Loans and their Related Security comprised in the Portfolio (including, for the avoidance of doubt, CPF Loans and their Related Security (and any related Top-up Loans) held under the Assets Trust);
- (b) keep the Loan Files and Title Deeds in its possession or under its control in safe custody and maintain records necessary to enforce each Mortgage in the Portfolio and, where relevant, any other Related Security and to, subject to applicable laws and regulations, in the event that a Servicer

Termination Event, Perfection Event or Replacement Assets Trustee Event has occurred and is continuing or may reasonably be expected to occur, permit the Covered Bond Guarantor (and its auditors), the CBG Beneficiary, the Assets Trustee and the Security Trustee upon reasonable notice in writing during normal office hours to have access to all books of record and account (including, for the avoidance of doubt, the Title Deeds and Loan Files) which are under the control or in the possession of the Servicer relating to the administration of the Loans, the Top-up Loans and their Related Security comprised in the Portfolio;

- (c) maintain a register in respect of the Portfolio;
- (d) comply with all relevant notices issued by the MAS;
- (e) assist the Cash Manager in the preparation of the Investor Report in accordance with the Cash Management Agreement;
- (f) take all reasonable steps to recover all sums due to the Covered Bond Guarantor, the CBG Beneficiary and the Assets Trustee, including without limitation by instituting proceedings and enforcing any relevant Loan or its Related Security using the discretion of a Reasonable, Prudent Mortgage Lender in applying the enforcement procedures forming part of the Seller's Policy; and
- (g) enforce any Loan which is in default in accordance with the Seller's enforcement procedures or, to the extent that such enforcement procedures are not applicable having regard to the nature of the default in question, with the usual procedures undertaken by a Reasonable, Prudent Mortgage Lender on behalf of the Covered Bond Guarantor, the CBG Beneficiary and the Assets Trustee.

Right of delegation by the Servicer

The Servicer may from time to time sub-contract or delegate the performance of its powers and obligations under the Servicing Agreement, **provided that** it will nevertheless remain liable at all times for servicing the Loans and their Related Security (and any related Top-up Loans) comprised in the Portfolio and for the acts or omissions of any delegate or sub-contractor. Any such sub-contracting or delegation may be varied or terminated at any time by the Servicer.

Remittances

If the Servicer has a Servicer's Remittance Rating, the Servicer shall pay an amount equal to the aggregate of the Principal Receipts and Revenue Receipts received less an amount equal to any Taxes payable in relation to those Principal Receipts and Revenue Receipts which is required by law to be withheld and deducted (if any) and any other amount the Seller may retain in accordance with any Transaction Document into the Transaction Account three Singapore Business Days following credit of such Principal Receipts and Revenue Receipts to the relevant collection account of the Servicer.

If the Servicer does not have a Servicer's Remittance Rating, then the Servicer must pay all Principal Receipts and Revenue Receipts in its possession or control into the Transaction Account no later than the later of: (i) two Singapore Business Days following receipt of such Principal Receipts and Revenue Receipts by the Servicer in its relevant collection account; and (ii) two Singapore Business Days following the date upon which the Servicer does not have a Servicer's Remittance Rating if, by that date, the Servicer has not undertaken action which otherwise satisfies the criteria of each of the Rating Agencies and avoids a downgrading or withdrawal of the then current rating of the Covered Bonds.

Re-pricing options

The Servicer may offer a re-pricing option to a Borrower or Mortgagor in accordance the relevant Mortgage Conditions during the life of a Loan. The Servicer has covenanted only to make such offers to the extent that a Reasonable, Prudent Mortgage Lender would do so in similar circumstances.

Compensation

As full compensation for its servicing duties and activities and as reimbursement for any expense incurred by it in connection therewith, the Servicer is entitled to receive the fees (exclusive of the Goods and Service Tax of Singapore ("GST")) from the Covered Bond Guarantor as set out in the Servicing Agreement.

Removal or resignation of the Servicer

The Covered Bond Guarantor, the CBG Beneficiary and the Assets Trustee (with the consent of or as directed by the CBG Beneficiary) may (subject to the prior written consent of the Security Trustee), upon written notice (and in the case of (f) below, not less than 60 days' written notice) to the Servicer (with a copy to the Security Trustee), terminate the Servicer's rights and obligations if any of the following events (each, a "**Servicer Termination Event**" and, each of the first five events set out below, a "**Servicer Event of Default**") occurs:

- (a) the Servicer defaults in the payment on the due date of any payment due and payable by it under the Servicing Agreement and such default continues unremedied for a period of 10 Singapore Business Days after the earlier of the Servicer becoming aware of such default and receipt by the Servicer of written notice from the Security Trustee, the Covered Bond Guarantor, the CBG Beneficiary or the Assets Trustee requiring the same to be remedied;
- (b) the Servicer fails to comply with any of its other obligations under the Servicing Agreement which failure in the reasonable opinion of the Security Trustee is materially prejudicial to the Covered Bondholders and does not remedy that failure within the earlier of 30 Singapore Business Days after becoming aware of the failure and receipt by the Servicer of written notice from the Security Trustee, the Covered Bond Guarantor, the CBG Beneficiary or the Assets Trustee requiring the same to be remedied **provided that** where the relevant default occurs as a result of a default by any person to whom the Servicer has sub-contracted or delegated part of its obligations hereunder, such default shall not constitute a Servicer Termination Event if, within such period of 30 Singapore Business Days of receipt of such notice from the Covered Bond Guarantor, the Assets Trustee, the CBG Beneficiary and the Security Trustee, the Servicer terminates the relevant sub-contracting or delegation arrangements and takes such steps as the Covered Bond Guarantor, the Assets Trustee, the CBG Beneficiary and the Security Trustee may (acting on the instructions of the Bond Trustee) specify to remedy such default or to indemnify the Covered Bond Guarantor, the Assets Trustee, the CBG Beneficiary and/or the Security Trustee against the consequences of such default;
- (c) the Servicer's long-term unsecured and unsubordinated debt obligations cease to be rated at least Baa3 by Moody's or at least BBB- by S&P;
- (d) the Servicer is relieved from its obligations under the Servicing Agreement pursuant to a Force Majeure Event (as defined below) for a period of 30 consecutive Singapore Business Days;
- (e) an Insolvency Event occurs in relation to the Servicer; or
- (f) the Covered Bond Guarantor, the Assets Trustee (with the consent of or as directed by the CBG Beneficiary) and the CBG Beneficiary resolve after due consideration and acting reasonably that the appointment of the Servicer should be terminated.

Subject to the fulfilment of a number of conditions, the Servicer may voluntarily resign by giving not less than 12 months' written notice to the Covered Bond Guarantor, the Assets Trustee (with the consent of or as directed by the CBG Beneficiary), the CBG Beneficiary and the Security Trustee, **provided that** a substitute servicer qualified to act as such under the applicable law and regulation and with a management team with experience in administering mortgages of residential property in Singapore has been appointed and enters into a servicing agreement with the Covered Bond Guarantor, the CBG Beneficiary and the Assets Trustee substantially on the same terms as the Servicing Agreement. The resignation of the Servicer is conditional on the resignation having no adverse effect on the then current ratings of the Covered Bonds unless the Covered Bondholders agree otherwise by Extraordinary Resolution.

If the appointment of the Servicer is terminated, the Servicer must deliver the Title Deeds or the control thereof and the Loan Files relating to the Loans administered by it to, or to the order of, the Covered Bond Guarantor, the Assets Trustee and the CBG Beneficiary, as applicable. The Servicing Agreement shall automatically terminate at such time as the Covered Bond Guarantor, the CBG Beneficiary, the Assets Trustee and the Replacement Assets Trustee have no further interest in any of the Loans, the Top-up Loans or their Related Security sold to the Covered Bond Guarantor and the CBG Beneficiary (and held on trust by the Assets Trustee) and serviced under the Servicing Agreement that have been comprised in the Portfolio.

Pursuant to the terms of the Servicing Agreement, the Servicer is not liable for a failure to perform its obligations if it is rendered unable to do so due to circumstances beyond its control, such as electricity power cuts, earthquakes, storms or acts of God (such event, a **"Force Majeure Event"**).

Neither the Bond Trustee nor the Security Trustee is obliged to act as servicer in any circumstances.

The Servicing Agreement is governed by Singapore law.

Asset Monitor Agreement

Under the terms of the Asset Monitor Agreement entered into on or about the Programme Date (as amended, restated, supplemented or novated from time to time) between the Asset Monitor, the CBG, the CBG Beneficiary, the Seller, the Cash Manager, the Issuer, the Assets Trustee, the Bond Trustee and the Security Trustee, the Asset Monitor has agreed, subject to receipt of the information to be provided by the Cash Manager to the Asset Monitor, to conduct tests in respect of the arithmetical accuracy of the calculations performed by the Cash Manager in relation to the Asset Coverage Test, prior to service of a Notice to Pay or a Covered Bond Guarantor Acceleration Notice, as soon as reasonably practicable following each Calculation Date immediately preceding the half-yearly and yearly anniversary of the Programme Date (and in any event not later than 20 Singapore Business Days following receipt of such information from the Cash Manager) with a view to confirmation of the arithmetic accuracy or inaccuracy of such calculations. If and for so long as the ratings in respect of the long-term unsecured and unsubordinated debt obligations of the Issuer or the Cash Manager (or, if the Cash Manager is not independently rated and, as the case may be, is an affiliate of the Issuer, the long-term unsecured and unsubordinated debt obligations of the Issuer) cease to meet the levels specified in the Asset Monitor Agreement, the Asset Monitor will, subject to receipt of the relevant information from the Cash Manager, be required to conduct such tests in respect of every Calculation Date thereafter. Following service of a Notice to Pay on the Covered Bond Guarantor (but prior to service of a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor and the Issuer), the Asset Monitor will also be required to test the arithmetical accuracy of the calculations performed by the Cash Manager in respect of the Amortisation Test with a view to confirmation of the arithmetic accuracy or inaccuracy of such calculations.

Following a determination by the Asset Monitor of any errors in the arithmetic accuracy of the calculations performed by the Cash Manager such that the Asset Coverage Test or the Amortisation Test was not satisfied on the relevant Calculation Date (where the Cash Manager had recorded it as being satisfied) or the reported Adjusted Aggregate Loan Amount or the reported Amortisation Test Aggregate Loan Amount, as applicable, was misstated by the Cash Manager by an amount exceeding 1% of the actual Adjusted Aggregate Loan Amount or the actual Amortisation Test Aggregate Loan Amount, as applicable (as at the date of the relevant Asset Coverage Test or the relevant Amortisation Test), the Asset Monitor will be required to conduct such tests in respect of every Calculation Date occurring during the period ending six months after the date of the Asset Coverage Test and/or the Amortisation Test which included the relevant arithmetic errors.

The Asset Monitor is entitled, except in certain limited circumstances, to assume that all information provided to it by the Cash Manager for the purpose of conducting such tests is true and correct and is complete and not misleading. The Asset Monitor Report will be delivered to the Cash Manager, the Servicer, the Covered Bond Guarantor, the CBG Beneficiary, the Issuer, the Seller, the Assets Trustee, the Bond Trustee, the Security Trustee and the Issuer and/or the Bond Trustee may provide a copy of the Asset Monitor Report to the Rating Agencies.

The Asset Monitor has also been appointed as the cover pool monitor in respect of the Covered Bond Guarantor and the Programme for purposes of MAS Notice 648. As soon as reasonably practicable following each Calculation Date immediately preceding the Issuer's accounting reference date and subject to receipt of certain information to be provided to the Asset Monitor by the Cash Manager, including the Asset Registers, the Investments Ledger, account statements and copies of New Portfolio Notices, Loan Repurchase Notices and Selected Loans Offer Notices, the Asset Monitor will:

- (a) assess the keeping by the Cash Manager and the Servicer on behalf of the Covered Bond Guarantor of an accurate register of the assets in the Asset Pool; and
- (b) assess compliance by the Issuer with MAS Notice 648.

The Asset Monitor may perform its obligations by sampling in accordance with applicable Singaporean auditing standards. In the event that the Asset Monitor is unable to perform any such functions as prescribed by MAS Notice 648, it shall immediately notify the Issuer and the Covered Bond Guarantor.

The Covered Bond Guarantor or the Cash Manager on behalf of the CBG will pay to the Asset Monitor a fee for the tests to be performed by the Asset Monitor.

The Cash Manager may, at any time, terminate the appointment of the Asset Monitor by giving at least 30 days' prior written notice to the Asset Monitor or immediately upon providing the Asset Monitor written notice where the Asset Monitor ceases to be an Eligible Asset Monitor, **provided that** such termination may not be effected unless and until a replacement Eligible Asset Monitor has been appointed by the Cash Manager in accordance with the replacement terms described below.

The Asset Monitor may, at any time, resign by giving at least 60 days' prior written notice to the Covered Bond Guarantor, the Issuer and the Security Trustee (copied to the Rating Agencies), and may resign by giving immediate notice in the event of a professional conflict of interest under the rules of the professional and/or regulatory bodies regulating the activities of the Asset Monitor and such professional conflict of interest is caused by the action of any recipient of its reports. The Asset Monitor will inform the recipients of its reports as soon as reasonably practicable of any action of which the Asset Monitor is aware that may cause a professional conflict of interest for the Asset Monitor which could result in such termination.

Upon the Asset Monitor giving notice of resignation or termination of the Asset Monitor's appointment, the Cash Manager shall immediately use all reasonable endeavours to appoint a substitute asset monitor, provided such substitute is an Eligible Asset Monitor that enters into an agreement substantially on the same terms as the terms of the Asset Monitor Agreement and such substitute asset monitor is a party that has been notified to the Rating Agencies by the Cash Manager and a Rating Agency Confirmation has been obtained by the Cash Manager in respect of the appointment of the substitute asset monitor.

Neither the Bond Trustee nor the Security Trustee will be obliged to act as Asset Monitor in any circumstances.

The Asset Monitor Agreement is governed by Singapore law.

Establishment Deed

Pursuant to the terms of the Establishment Deed entered into on or about the Programme Date (as amended, restated, supplemented or novated from time to time) between the Seller, the Assets Trustee, the Servicer, the Cash Manager, the Covered Bond Guarantor, the CBG Beneficiary, the Security Trustee and the Bond Trustee, the parties agree the terms upon which the business of the Covered Bond Guarantor will be operated.

Asset Coverage Test

Under the terms of the Establishment Deed, for so long as any Covered Bonds remain outstanding, the Asset Coverage Test will be satisfied as of a Calculation Date prior to the service of a Notice to Pay if, on that Calculation Date, the Adjusted Aggregate Loan Amount is at least equal to the SGD Equivalent of the aggregate outstanding nominal amount of all Covered Bonds as calculated on the relevant Calculation Date (the "**Asset Coverage Test**"). For a further discussion of the Asset Coverage Test, see "*Credit Structure including Asset Tests – Asset Coverage Test*".

On or prior to each Test Date, the Cash Manager must calculate the Adjusted Aggregate Loan Amount and the aggregate SGD Equivalent of the outstanding nominal amount of all Covered Bonds as of the immediately preceding Calculation Date.

If, on any Test Date, the Adjusted Aggregate Loan Amount is less than the SGD Equivalent of the aggregate outstanding nominal amount of all Covered Bonds, all calculated as of the relevant Calculation Date immediately preceding that Test Date, then the Cash Manager shall notify the Covered Bond Guarantor, the Seller, the Issuer, the Rating Agencies, the Bond Trustee and the Security Trustee thereof and the Covered Bond Guarantor (at the direction of the Cash Manager) will use all commercially reasonable endeavours to acquire further Loans and their Related Security from the Seller and/or obtain an Advance or a Subordinated Advance to ensure that the Asset Coverage Test is met as of the next Calculation Date.

If, on the next following Test Date, the Adjusted Aggregate Loan Amount remains less than the SGD Equivalent of the aggregate outstanding nominal amount of all Covered Bonds (each calculated as of the Calculation Date immediately preceding that Test Date), the Asset Coverage Test will be breached and the Cash Manager shall notify the Covered Bond Guarantor, the Seller, the Issuer, the Bond Trustee and the Security Trustee promptly, whereupon the Bond Trustee shall serve an Asset Coverage Test Breach Notice on the Covered Bond Guarantor. The Bond Trustee will be deemed to have revoked an Asset Coverage Test Breach Notice if, on or before the first Test Date immediately succeeding service of an Asset Coverage Test Breach Notice, the Asset Coverage Test (as calculated as of the immediately preceding Calculation Date) is satisfied and neither a Notice to Pay nor a Covered Bond Guarantor Acceleration Notice has been served.

Following service of an Asset Coverage Test Breach Notice on the Covered Bond Guarantor (which has not been revoked) but prior to the service of a Notice to Pay:

- (a) the Covered Bond Guarantor or the Cash Manager (on behalf of the Covered Bond Guarantor) may be required to sell Selected Loans and/or Authorised Investments and remit the proceeds to the Transaction Account (see "*Sale of Selected Loans following service of an Asset Coverage Test Breach Notice*" below);
- (b) prior to the occurrence of an Issuer Event of Default and service of an Issuer Acceleration Notice or, if earlier, the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantor Acceleration Notice, the Pre-Acceleration Revenue Priority of Payments and the Pre-Acceleration Principal Priority of Payments will be modified (see "*Cashflows and Priorities of Payments – Allocation and distribution of Available Revenue Receipts and Available Principal Receipts following service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice (which has not been revoked)*"); and
- (c) the Issuer will not be permitted to issue any further Series of Covered Bonds.

If an Asset Coverage Test Breach Notice has been served and is not revoked by the Bond Trustee on or before the first Test Date immediately succeeding service of such Asset Coverage Test Breach Notice on the Covered Bond Guarantor, then an Issuer Event of Default will occur and the Bond Trustee will be entitled to serve an Issuer Acceleration Notice. Following service of an Issuer Acceleration Notice, the Bond Trustee will be required to serve a Notice to Pay on the Covered Bond Guarantor.

For the purposes hereof:

The "**Adjusted Aggregate Loan Amount**" in respect of a Calculation Date means:

$$A + B + C + D + E - Y$$

where,

A = the lower of (a) and (b), where:

- (a) = the sum of the "**LTV Adjusted Principal Balance**" of each Loan (excluding, for the avoidance of doubt, all Top-up Loans) which is not a Converted Loan or Affected BB Loan in the Portfolio as at the relevant Calculation Date, which shall be the lower of:
 - (i) the actual Principal Balance of the relevant Loan (excluding, for the avoidance of doubt, all Top-up Loans) which is not a Converted Loan or Affected BB Loan in the Portfolio as calculated as of the relevant Calculation Date; and
 - (ii) the aggregate of the Indexed Valuation of each Property subject to a Related Security relating to that Loan, in each case, multiplied by M:
 - (A) where, for all Loans that are not Defaulted Loans, $M = 0.80$, or such other greater amount determined by the Cash Manager and notified to the Covered Bond Guarantor and the Rating Agencies and in respect of which a Rating Agency Confirmation has been delivered by the Cash Manager; and

(B) where, for all Loans that are Defaulted Loans, $M = 0$ (zero),

minus

the aggregate sum of the following deemed reductions to the aggregate LTV Adjusted Principal Balance of the Loans in the Portfolio if either or both of the following occurred during the Calculation Period ending on such Calculation Date:

(1) the Seller was, in the immediately preceding Calculation Period, in respect of a Loan or its Related Security,

(aa) in breach of any of the Representations and Warranties contained in the Mortgage Sale Agreement or Declaration of Assets Trust (as the case may be); or

(bb) subject to any other obligation of the Seller to repurchase the relevant Non-CPF Loan and its Related Security (and any related Top-up Loans) or the Assets Trustee is subject to an obligation to accept surrender of the Trust Assets relating to the relevant CPF Loan and its Related Security (and any related Top-up Loans) and to make a corresponding Distribution to the CBG Beneficiary,

and, in each case, the repurchase has not been completed in accordance with the terms of the Mortgage Sale Agreement or, as the case may be, the surrender of the Trust Assets and corresponding Distribution has not been completed in accordance with the terms of the Declaration of Assets Trust. In this event, the aggregate LTV Adjusted Principal Balance of the Loans in the Portfolio (as calculated as of the relevant Calculation Date) will be deemed to be reduced by an amount equal to the LTV Adjusted Principal Balance of the relevant Loan or Loans (as calculated as of the relevant Calculation Date) of the relevant Borrower and/or the relevant Mortgagor; or

(2) (aa) the Seller was, in any preceding Calculation Period, in breach of any other material warranty under the Mortgage Sale Agreement or the Declaration of Assets Trust (as the case may be); or

(bb) the Servicer was, in any preceding Calculation Period, in breach of a material term of the Servicing Agreement.

In this event, the aggregate LTV Adjusted Principal Balance of the Loans in the Portfolio (as calculated as of the relevant Calculation Date) will be deemed to be reduced by an amount equal to the resulting financial loss incurred by the Covered Bond Guarantor in the immediately preceding Calculation Period (such financial loss to be calculated by the Cash Manager without double counting (including in respect of amounts under (1) above) and to be reduced by any amount paid (in cash or in kind) to the Covered Bond Guarantor by the Seller to indemnify the Covered Bond Guarantor for such financial loss),

AND

(b) the sum of the "**Asset Percentage Adjusted Principal Balance**" of each Loan (excluding, for the avoidance of doubt, all Top-up Loans) which is not a Converted Loan or Affected BB Loan in the Portfolio as at the relevant Calculation Date which shall be the lower of:

(i) the actual Principal Balance of the relevant Loan (excluding, for the avoidance of doubt, all Top-up Loans) which is not a Converted Loan or Affected BB Loan in the Portfolio as calculated as of the relevant Calculation Date; and

(ii) the aggregate of the Valuation of each Property subject to a Related Security relating to that Loan, in each case multiplied by N:

(A) where, for all Loans that are not Defaulted Loans, $N = 1.00$; and

(B) where, for all Loans that are Defaulted Loans, $N = 0$ (zero), *minus*

the aggregate sum of the following deemed reductions to the aggregate Asset Percentage Adjusted Principal Balance of the Loans in the Portfolio if either or both of the following occurred during the Calculation Period ending on such Calculation Date:

- (1) the Seller was, in the immediately preceding Calculation Period, in respect of a Loan or its Related Security,

(aa) in breach of any of the Representations and Warranties contained in the Mortgage Sale Agreement or the Declaration of Assets Trust (as the case may be); or

(bb) subject to any other obligation of the Seller to repurchase the relevant Non-CPF Loan and its Related Security (and any related Top-up Loans) or the Assets Trustee is subject to an obligation to accept surrender of the Trust Assets relating to the CPF Loans and their Related Security (and any related Top-up Loans) and make a corresponding Distribution to the CBG Beneficiary,

and in each case the repurchase has not been completed in accordance with the terms of the Mortgage Sale Agreement or, as the case may be, the surrender of the Trust Assets and corresponding Distribution has not been completed in accordance with the terms of the Declaration of Assets Trust, the aggregate Asset Percentage Adjusted Principal Balance of the Loans in the Portfolio (as calculated as of the relevant Calculation Date) will be deemed to be reduced by an amount equal to the Asset Percentage Adjusted Principal Balance of the relevant Loan or Loans (as calculated as of the relevant Calculation Date) of the relevant Borrower and/or the relevant Mortgagor; or

- (2) (aa) the Seller was, in any preceding Calculation Period, in breach of any other material warranty under the Mortgage Sale Agreement or the Declaration of Assets Trust (as the case may be); or

(bb) the Servicer was, in any preceding Calculation Period, in breach of a material term of the Servicing Agreement, the aggregate Asset Percentage Adjusted Principal Balance of the Loans in the Portfolio (as calculated as of the relevant Calculation Date) will be deemed to be reduced by an amount equal to the resulting financial loss incurred by the Covered Bond Guarantor in the immediately preceding Calculation Period (such financial loss to be calculated by the Cash Manager without double counting (including in respect of amounts under (1) above) and to be reduced by any amount paid (in cash or in kind) to the Covered Bond Guarantor by the Seller to indemnify the Covered Bond Guarantor for such financial loss),

the result of the calculation in this paragraph (b) being multiplied by the Asset Percentage (as determined below);

B = the aggregate amount of any Principal Receipts on the Loans in the Portfolio (excluding Principal Receipts in respect of Top-up Loans) which are not Converted Loans or Affected BB Loans up to the end of the Calculation Period ending on such Calculation Date (as recorded in the Principal Ledger) which have not been applied as at the relevant Calculation Date to acquire further Loans and their Related Security or otherwise applied in accordance with the Establishment Deed and/or the other Transaction Documents (including amounts standing to the credit of the Reserve Ledger and the Pre-Maturity Liquidity Ledger but excluding amounts representing Revenue Receipts) (but without double counting);

C = the aggregate amount of Advances under the Intercompany Loan Agreement and Subordinated Advances under the Subordinated Loan Agreement which have not been applied as at the relevant Calculation Date either: (a) by the CBG Beneficiary to make a contribution into the Assets Trust

to acquire further Loans; or (b) to acquire further Loans and their Related Security or otherwise applied in accordance with the Establishment Deed and/or the other Transaction Documents (but without double counting);

- D** = any Authorised Investments and Substitution Assets purchased by the Covered Bond Guarantor or the Cash Manager on its behalf as at the relevant Calculation Date (but without double counting);
- E** = the amount of any Sale Proceeds standing to the credit of the Transaction Account and credited to the Pre-Maturity Liquidity Ledger as at the relevant Calculation Date (but without double counting); and
- Y** = 0 (zero), or, if the long-term unsecured and unsubordinated debt obligations of the Seller cease to be rated at least A3 by Moody's or BBB by S&P, the Set-Off Amount.

The "**Asset Percentage**" shall be determined in accordance with the following:

- (a) The "**Asset Percentage**" on any date shall be the lowest of:
- (i) 97% or such other amount determined by the Cash Manager (acting on behalf of the Covered Bond Guarantor) and notified to the Covered Bond Guarantor and the Rating Agencies and in respect of which a Rating Agency Confirmation has been delivered by the Cash Manager;
 - (ii) such percentage figure as selected by the Cash Manager (acting on behalf of the Covered Bond Guarantor) from time to time and notified to the Covered Bond Guarantor, S&P, the Bond Trustee and the Security Trustee in accordance with the Establishment Deed, being the asset percentage that is necessary to ensure that the Covered Bonds maintain the then current ratings assigned to them by S&P, subject to the restriction in paragraph (b) below; and
 - (iii) the percentage figure most recently selected by the Cash Manager (acting on behalf of the Covered Bond Guarantor) and notified to the Covered Bond Guarantor, Moody's, the Bond Trustee and the Security Trustee in accordance with the Establishment Deed, as the percentage figure that is necessary to ensure that the Covered Bonds maintain the then current ratings assigned to them by Moody's using Moody's expected loss methodology (regardless of the actual Moody's rating of the Covered Bonds at the time of determination of the Asset Percentage on such date), subject to the restriction in paragraph (b) below.

The Asset Percentage determined in accordance with these terms shall be published in the Investor Report for the relevant period.

- (b) Notwithstanding paragraph (a) above, the Covered Bond Guarantor is not obliged to ensure that the Covered Bonds maintain an Aaa rating by Moody's or an AAA rating by S&P (as the case may be). For the avoidance of doubt, the Covered Bond Guarantor (or the Cash Manager acting on its behalf) is not obliged to maintain the level of credit enhancement required to ensure that the Covered Bonds maintain an AAA rating by S&P or an Aaa rating by Moody's using Moody's expected loss methodology (as the case may be) by exercising its option to select any such percentage figure pursuant to paragraphs (a)(ii) and (a)(iii) above.
- (c) Where there is more than one Loan in the Portfolio secured on the same Property subject to a Related Security, the calculation of the Asset Coverage Test will be calculated in respect of such Loans on a consolidated basis as if all Loans in the Portfolio secured on the same Property subject to a Related Security were a single Loan.

The Asset Coverage Test seeks to take account of the potential set-off risk (through factor Y (as defined above)) associated with Borrowers and/or Mortgagors holding deposits with the Seller (see "*Risk Factors – Risks relating to the Covered Bond Guarantor – Set-off risk, including set-off risk arising under Section 62A of the Banking Act may adversely affect the value of the Portfolio or any part thereof*") (although there is no assurance that all such risks therein will be accounted for). Further, for so long as the Covered Bond Guarantor does not have legal title, the Seller will undertake for the benefit of the Covered Bond Guarantor and the Secured Creditors that it will lend its name to, and take such other steps as may be reasonably

required by the Covered Bond Guarantor and/or the Security Trustee in relation to, any legal proceedings in respect of the Loans and their Related Security.

Amortisation Test

The Amortisation Test will be satisfied as of each Calculation Date following the service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service of a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor) and, for so long as Covered Bonds remain outstanding, if, on that Calculation Date, the Amortisation Test Aggregate Loan Amount will be in an amount at least equal to the SGD Equivalent of the aggregate outstanding nominal amount of the Covered Bonds as calculated on or before the relevant Test Date (the "**Amortisation Test**"). For a further discussion of the Amortisation Test, see "*Credit Structure including Asset Tests – Amortisation Test*".

The Cash Manager shall calculate the Amortisation Test Aggregate Loan Amount (as of each Calculation Date) on or prior to each Test Date following service of a Notice to Pay (but prior to service of a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor).

If, on any Test Date following the service of a Notice to Pay on the Covered Bond Guarantor, the Amortisation Test Aggregate Loan Amount is less than the SGD Equivalent of the aggregate outstanding nominal amount of the Covered Bonds, each calculated as of the relevant Calculation Date immediately preceding that Test Date, then the Amortisation Test shall be deemed to be breached and a Covered Bond Guarantor Event of Default will occur. The Cash Manager shall immediately (and in any event within three Singapore Business Days) notify the Covered Bond Guarantor, the Seller, the Issuer, the Rating Agencies, the Security Trustee and the Bond Trustee of any breach of the Amortisation Test, and the Bond Trustee, after receiving such notice, shall be entitled to serve a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor in accordance with the Conditions.

The "**Amortisation Test Aggregate Loan Amount**" will be calculated as at each Calculation Date as follows:

$$A + B + C - Y$$

where:

A = the sum of the "Amortisation Test Principal Balance" of each Loan (excluding, for the avoidance of doubt, all Top-up Loans) which is not a Converted Loan or Affected BB Loan, which balance will be the lower of:

- (a) the actual Principal Balance of the relevant Loan as calculated on the relevant Calculation Date; and
- (b) the aggregate of the Indexed Valuation of each Property subject to a Related Security relating to such Loan multiplied by M,

where, for all Loans that are not Defaulted Loans, M = 1.00 or such other amount determined by the Cash Manager and notified to the Covered Bond Guarantor and the Rating Agencies and in respect of which a Rating Agency Confirmation has been delivered by the Cash Manager, and for all the Loans that are Defaulted Loans, M = 0 (zero);

B = the sum of the amount of any cash standing to the credit of the Transaction Account (excluding any Revenue Receipts received in the Calculation Period ending on such Calculation Date);

C = any Authorised Investments and Substitution Assets purchased by the Covered Bond Guarantor or the Cash Manager on its behalf as at the relevant Calculation Date (but without double counting); and

D = 0 (zero), or, if the long-term unsecured and unsubordinated debt obligations of the Seller cease to be rated at least A3 by Moody's or BBB by S&P, the Set-Off Amount.

Where there is more than one Loan in the Portfolio secured on the same Property subject to a Related Security, the calculation of the Amortisation Test will be calculated in respect of such Loans on a

consolidated basis as if all Loans in the Portfolio secured on the same Property subject to a Related Security were a single Loan.

Pre-Maturity Test

Certain Series of Covered Bonds are scheduled to be redeemed in full on their relevant Maturity Date without any provision for scheduled redemption other than on the Maturity Date (the "**Hard Bullet Covered Bonds**"). The applicable Pricing Supplement will identify whether any Series of Covered Bonds is a Series of Hard Bullet Covered Bonds. The "**Pre-Maturity Test**" is intended to provide liquidity for the Hard Bullet Covered Bonds when the Issuer's credit ratings cease to meet specified ratings levels. On each Singapore Business Day (each, a "**Pre-Maturity Test Date**") prior to the occurrence of an Issuer Event of Default or the occurrence of a Covered Bond Guarantor Event of Default, the Covered Bond Guarantor (or the Cash Manager acting on its behalf) will determine whether the Issuer is in compliance with the Pre-Maturity Test in respect of each Series of Hard Bullet Covered Bonds. If it is not, the Covered Bond Guarantor (or the Cash Manager acting on its behalf) will within three Singapore Business Days notify the Covered Bond Guarantor, the Seller, the Issuer, the Rating Agencies, the Bond Trustee and the Security Trustee thereof.

The Issuer will fail and be in breach of the Pre-Maturity Test in relation to a Series of Hard Bullet Covered Bonds on a Pre-Maturity Test Date if:

- (a) the rating from Moody's of the Issuer's short-term unsecured and unsubordinated debt obligations cease to be at least P-1 and the Maturity Date of the Series of Hard Bullet Covered Bonds falls within 12 months from the relevant Pre-Maturity Test Date; or
- (b) the rating from S&P of the Issuer's unsecured and unsubordinated debt obligations cease to be at least A-1 and the Maturity Date of the Series of Hard Bullet Covered Bonds falls within 12 months from the relevant Pre-Maturity Test Date.

Following a failure of the Pre-Maturity Test in respect of a Series of Hard Bullet Covered Bonds but prior to the service of a Notice to Pay, the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) will, taking into account any Advances or Subordinated Advances made by the Intercompany Loan Provider or the Subordinated Loan Provider and/or funded under the applicable Priorities of Payments, as soon as practicable offer to sell Selected Loans to Purchasers (subject to the Seller's right of pre-emption pursuant to the Mortgage Sale Agreement and/or the Declaration of Assets Trust) with the intention that the amount standing to the credit of the Pre-Maturity Liquidity Ledger will at least be equal to the Required Redemption Amount of that Series of Hard Bullet Covered Bonds (taking into account the Required Redemption Amount of all other Series of Hard Bullet Covered Bonds which mature prior to or on the same date as the relevant Series of Hard Bullet Covered Bonds). See "*Establishment Deed – Method of Sale of Selected Loans*".

In addition to the sale of Loans (including Selected Loans) and their Related Security, the Pre-Maturity Liquidity Ledger may be funded by:

- (a) Advances and/or Subordinated Advances; and/or
- (b) to the extent permitted by the Priorities of Payments, Available Revenue Receipts and Available Principal Receipts.

Failure by the Issuer to pay the full amount due in respect of a Series of Hard Bullet Covered Bonds on the Maturity Date thereof (subject to applicable cure periods) will constitute an Issuer Event of Default.

Following service of a Notice to Pay on the Covered Bond Guarantor in relation to a Series of Hard Bullet Covered Bonds but prior to the service of a Covered Bond Guarantor Acceleration Notice, the Cash Manager must on behalf of the Covered Bond Guarantor apply funds standing to the credit of the Pre-Maturity Liquidity Ledger to repay the relevant Series of Hard Bullet Covered Bonds but shall cease to further fund the Pre-Maturity Liquidity Ledger in relation to that Series of Hard Bullet Covered Bonds. Following service of a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor, all amounts standing to the credit of the Pre-Maturity Liquidity Ledger will be applied in accordance with the Post-Enforcement Priority of Payments.

If the Issuer and/or the Covered Bond Guarantor fully repay the relevant Series of Hard Bullet Covered Bonds on the Maturity Date thereof, the amounts standing to the credit of the Pre-Maturity Liquidity Ledger on the Transaction Account shall be applied by the Covered Bond Guarantor in accordance with (prior to service of a Notice to Pay) the Pre-Acceleration Principal Priority of Payments or the Pre-Acceleration Revenue Priority of Payments or (after service of a Notice to Pay on the Covered Bond Guarantor) the Guarantee Priority of Payments, unless the Issuer is failing the Pre-Maturity Test in respect of any other Series of Hard Bullet Covered Bonds, in which case, the amounts shall remain credited to the Pre-Maturity Liquidity Ledger to the extent required for such other Series of Hard Bullet Covered Bonds.

If the Issuer is no longer failing the Pre-Maturity Test, any amounts standing to the credit of the Pre-Maturity Liquidity Ledger shall be applied and paid in accordance with (prior to service of a Notice to Pay) the Pre-Acceleration Principal Priority of Payments or the Pre-Acceleration Revenue Priority of Payments or (after service of a Notice to Pay on the Covered Bond Guarantor) the Guarantee Priority of Payments on the next CBG Payment Date.

Failure to satisfy the Pre-Maturity Test will result in the occurrence of an Issuer Event of Default – see Condition 9(a)(vi) (*Breach of Pre-Maturity Test*).

Sale of Selected Loans following a breach of the Pre-Maturity Test

The Pre-Maturity Test will be breached if, prior to the service on the Covered Bond Guarantor of a Notice to Pay, the ratings of the Issuer's unsecured and unsubordinated debt obligations cease to meet specified levels and a Hard Bullet Covered Bond is due for repayment within a specified period of time thereafter, see "*Credit Structure including Asset Tests – Pre-Maturity Liquidity*". If the Pre-Maturity Test is breached prior to service of a Notice to Pay, the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) (or the Cash Manager on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) will, taking into account amounts standing to the credit of the Pre-Maturity Liquidity Ledger, offer to sell Selected Loans in the Portfolio in accordance with the Establishment Deed (see "*Method of Sale of Selected Loans*") with the intention that the amount standing to the credit of the Pre-Maturity Liquidity Ledger will at least be equal to the Required Redemption Amount of that Series of Hard Bullet Covered Bonds (taking into account the Required Redemption Amount of all other Series of Hard Bullet Covered Bonds which mature prior to or on the same date as the relevant Series of Hard Bullet Covered Bonds), subject to the rights of pre-emption in favour of the Seller to (a) buy the Selected Loans pursuant to the terms of the Mortgage Sale Agreement and/or the Declaration of Assets Trust and (b) (in relation to Trust Assets) make a cash payment to the Assets Trustee in consideration for the surrender by the CBG Beneficiary of its beneficial interest in the Trust Assets pursuant to the Declaration of Assets Trust. In connection with any such sale of Selected Loans (which are CPF Loans), the CBG Beneficiary shall direct the Assets Trustee to accept surrender by the CBG Beneficiary of its beneficial interest in such Selected Loans (which are CPF Loans) which are subject to the Assets Trust to the Seller. If the Issuer fails to repay any Series of Hard Bullet Covered Bonds on the Maturity Date thereof (after expiry of the relevant grace periods), then, following service of a Notice to Pay on the Covered Bond Guarantor, the proceeds from any sale of Selected Loans (other than Top-up Loans) standing to the credit of the Pre-Maturity Liquidity Ledger will be applied to repay the relevant Series of Hard Bullet Covered Bonds. Otherwise, the proceeds will be applied as set out in "*Credit Structure including Asset Tests – Pre-Maturity Liquidity*". The proceeds from any such sale of Selected Loans (which are Top-up Loans) will be used to repay any Deemed Ancillary Intercompany Loan Advances outside the Priorities of Payments.

Sale of Selected Loans following service of an Asset Coverage Test Breach Notice

After service of an Asset Coverage Test Breach Notice (which has not been revoked) on the Covered Bond Guarantor but prior to service of a Notice to Pay (if the Covered Bond Guarantor has not obtained an Advance or a Subordinated Advance in order to meet the Asset Coverage Test), the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) (or the Cash Manager on their behalf) will offer to sell Selected Loans in the Portfolio in accordance with the Establishment Deed (see "*Method of Sale of Selected Loans*"), subject to the rights of pre-emption in favour of the Seller to: (a) buy the Selected Loans pursuant to the terms of the Mortgage Sale Agreement and/or the Declaration of Assets Trust; and (b) (in relation to Trust Assets) make a cash payment to the Assets Trustee in consideration for the surrender by the CBG Beneficiary of its beneficial interest in the Trust Assets pursuant to the Declaration of Assets Trust. The proceeds from any such sale of Selected Loans (which are not Top-up Loans) shall be credited to the Transaction Account and applied as set out in "*Cashflows and Priorities of Payments – Allocation and Distribution of Available Revenue Receipts and*

Available Principal Receipts following service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice (which has not been revoked)". The proceeds from any such sale of Selected Loans (which are Top-up Loans) will be used to repay any Deemed Ancillary Intercompany Loan Advances outside the Priorities of Payments.

Sale of Selected Loans following service of a Notice to Pay

After service of a Notice to Pay on the Covered Bond Guarantor, but prior to service of a Covered Bond Guarantor Acceleration Notice, in order to meet its obligations, the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) (or the Cash Manager on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) may, or to the extent necessary to meet those obligations will, offer to sell Selected Loans in the Portfolio in accordance with the Establishment Deed (see "*Method of Sale of Selected Loans*"), subject to the rights of pre-emption in favour of the Seller to (a) buy the Selected Loans pursuant to the Mortgage Sale Agreement and/or the Declaration of Assets Trust and (b) (in relation to Trust Assets) make a cash payment to the Assets Trustee in consideration for the surrender by the CBG Beneficiary of its beneficial interest in the Trust Assets pursuant to the Declaration of Assets Trust. The proceeds from any such sale of Selected Loans (which are not Top-up Loans) will be credited to the Transaction Account and applied as set out in "*Cashflows and Priorities of Payments – Allocation and Distribution of Monies following service of a Notice to Pay*". The proceeds from any such sale of Selected Loans (which are Top-up Loans) will be used to repay any Deemed Ancillary Intercompany Loan Advances outside the Priorities of Payments.

Following service of a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor, all amounts standing to the credit of the Pre-Maturity Liquidity Ledger will be applied in accordance with the Post-Enforcement Priority of Payments.

Method of Sale of Selected Loans

Following a breach of the Pre-Maturity Test, the service of an Asset Coverage Test Breach Notice (which has not been revoked) or a Notice to Pay, the Covered Bond Guarantor or, as the case may be, the Assets Trustee on behalf of the CBG Beneficiary (or the Cash Manager on behalf of the Covered Bond Guarantor or CBG Beneficiary as the case may be) shall ensure that before offering Selected Loans for sale, the Selected Loans have been selected from the Portfolio on a Random Basis and the Selected Loans have an aggregate Principal Balance in an amount (the "**Required Principal Balance Amount**") which is as close as possible to the amount calculated as follows:

- (a) following the service of an Asset Coverage Test Breach Notice (which has not been revoked) but prior to service of a Notice to Pay, such amount that would ensure that, if the Selected Loans were sold at their Principal Balance plus the Arrears of Interest and Accrued Interest thereon, the Asset Coverage Test would be satisfied as of the next Calculation Date (as calculated on the related Test Date following such Calculation Date) taking into account the payment obligations of the Covered Bond Guarantor on the CBG Payment Date following that Calculation Date (assuming for this purpose that the Asset Coverage Test Breach Notice is not revoked on or before the related Test Date following the next Calculation Date); or
- (b) following a breach of the Pre-Maturity Test, an amount which is not less than the amount calculated as follows:

$$A = N \times \frac{O - D}{E}$$

where:

- A** is the Required Principal Balance Amount of the Selected Loans;
- N** is an amount equal to the SGD Equivalent of the Required Redemption Amount of the relevant Series of Hard Bullet Covered Bonds (in respect of which the Pre-Maturity Test has been breached) less amounts standing to the credit of the Pre-Maturity Liquidity Ledger that are not otherwise required to provide liquidity for any Series of Hard Bullet Covered Bonds which mature prior to or on the same date as the relevant Series of Hard Bullet Covered Bonds;
- O** is the Principal Balance of all the Loans in the Portfolio;

- D** is the outstanding balance of the Demand Loan; and
- E** is the aggregate SGD Equivalent of the Required Redemption Amount in respect of each Series of Covered Bonds then outstanding less amounts standing to the credit of the Pre-Maturity Liquidity Ledger that are not otherwise required to provide liquidity for any Series of Hard Bullet Covered Bonds which mature prior to or on the same date as the relevant Series of Hard Bullet Covered Bonds.

For the avoidance of doubt, if A is zero or a negative number, then no Selected Loans in the Portfolio and their Related Securities need be sold; or

- (c) following service of a Notice to Pay but prior to service of a Covered Bond Guarantor Acceleration Notice, in relation to a sale to meet the Covered Bond Guarantor's obligations other than in respect of the repayment of the Demand Loan, an amount which is not less than the amount calculated as follows:

$$A = N \times \frac{O - D}{E}$$

where:

- A** is the Required Principal Balance Amount of the Selected Loans;
- N** is an amount equal to the SGD Equivalent of the Required Redemption Amount of the Earliest Maturing Covered Bonds less:
- (i) amounts standing to the credit of the Transaction Account and any Authorised Investments or Substitution Assets purchased by the Covered Bond Guarantor or the Cash Manager on its behalf (excluding all amounts to be applied on the next following CBG Payment Date to pay or repay higher ranking amounts in the Guarantee Priority of Payments and those amounts that are required to repay any Series of Covered Bonds which have a Maturity Date prior to or on the same date as the relevant Series of Covered Bonds); and
 - (ii) if the Earliest Maturing Covered Bonds are Hard Bullet Covered Bonds, any amount standing to the credit of the Pre-Maturity Liquidity Ledger in respect of those Hard Bullet Covered Bonds;
- O** is the Principal Balance of all the Loans in the Portfolio;
- D** is the outstanding balance of the Demand Loan calculated pursuant to the Intercompany Loan Agreement following the final determination of the Asset Percentage; and
- E** is the aggregate SGD Equivalent of the Required Redemption Amount in respect of each Series of Covered Bonds then outstanding less:
- (i) (amounts standing to the credit of the Transaction Account and any Authorised Investments or Substitution Assets purchased by the Covered Bond Guarantor or the Cash Manager on its behalf (excluding all amounts to be applied on the next following CBG Payment Date to pay or repay higher ranking amounts in the Guarantee Priority of Payments and those amounts that are required to repay any Series of Covered Bonds which have a Maturity Date prior to or on the same date as the relevant Series of Covered Bonds); and
 - (ii) if the Earliest Maturing Covered Bonds are Hard Bullet Covered Bonds, any amount standing to the credit of the Pre-Maturity Liquidity Ledger in respect of those Hard Bullet Covered Bonds.

For the avoidance of doubt, if A is zero or a negative number, then no Selected Loans in the Portfolio and their Related Security need be sold.

The Covered Bond Guarantor (in the case of Selected Loans which are Non-CPF Loans) or the Assets Trustee on behalf of the CBG Beneficiary (in the case of Selected Loans which are CPF Loans) (or the

Cash Manager on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) will offer the Selected Loans for sale to Purchasers for the best price reasonably available but in any event:

- (a) following: (x) the service of an Asset Coverage Test Breach Notice (which has not been revoked) but prior to service of a Notice to Pay; or (y) a breach of the Pre-Maturity Test but prior to service of a Notice to Pay, in each case, for an amount not less than the sum of the aggregate Principal Balance of the Selected Loans; and
- (b) following service of a Notice to Pay, in relation to a sale to meet the Covered Bond Guarantor's obligations other than in respect of the repayment of the Demand Loan, for an amount not less than the sum of the Adjusted Required Redemption Amount for the relevant Series of Covered Bonds.

In respect of any sale of Selected Loans in the Portfolio (except where the Seller is buying the Selected Loans in accordance with its right of pre-emption in accordance with the Mortgage Sale Agreement and/or the Declaration of Assets Trust), the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) (or the Cash Manager on behalf of the Covered Bond Guarantor or CBG Beneficiary, as the case may be) will either:

- (i) prior to service of a Notice to Pay, appoint any member of the SCPLC Group; or
- (ii) following service of a Notice to Pay, through a tender process, appoint a portfolio manager, investment bank, bank or other institution or adviser of recognised standing on a basis intended to incentivise it to achieve the best price for the sale of the Selected Loans (if such terms are commercially available in the market),

(in each case, the "Sale Adviser") to advise it in relation to the sale of the Selected Loans to Purchasers (except where the Seller is buying the Selected Loans, in accordance with its right of pre-emption in the Mortgage Sale Agreement and/or the Declaration of Assets Trust).

Following service of an Asset Coverage Test Breach Notice (which has not been revoked) but prior to service of a Notice to Pay, if the Covered Bond Guarantor determines (taking into account any advice or recommendations of the Sale Adviser) that it is unlikely that the Selected Loans will be able to be sold for such an amount, or that it is unlikely that a sale of the Selected Loans for such an amount will be able to be effected in time to enable the Asset Coverage Test to be satisfied as of the next Calculation Date, then the Covered Bond Guarantor and/or the Assets Trustee (on behalf of the CBG Beneficiary) (or the Cash Manager on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) may:

- (i) sell additional Selected Loans; and/or
- (ii) offer the Selected Loans and the additional Selected Loans for the best price possible (in accordance with the recommendations of the Sale Adviser).

Following a breach of the Pre-Maturity Test but prior to service of a Notice to Pay, if Selected Loans have not been sold (in whole or in part) for an amount not less than the price described in (a) above by the date which is three months prior to the date by which the Pre-Maturity Liquidity Ledger must be funded in order to prevent an Issuer Event of Default in accordance with Condition 9(a)(vi) (*Breach of Pre-Maturity Test*), and the Pre-Maturity Liquidity Ledger is not otherwise funded (see "*Credit Structure including Asset Tests – Pre-Maturity Liquidity*" below), then the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) (or the Cash Manager on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) will offer the Selected Loans for sale at the best price reasonably obtainable in accordance with the advice of the Sale Adviser (if applicable).

Following service of a Notice to Pay, if the Selected Loans have not been sold (in whole or in part) for an amount not less than the amount described in paragraph (b) above by the date which is six months prior to, as applicable, (i) in respect of Earliest Maturing Covered Bonds that are Hard Bullet Covered Bonds, the Maturity Date of the Earliest Maturing Covered Bonds, or (ii) in respect of Earliest Maturing Covered Bonds that are subject to an Extended Due for Payment Date, the Extended Due for Payment Date in respect of the Earliest Maturing Covered Bonds, then the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) or the Cash Manager (on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) will offer the Selected Loans for sale for the best price reasonably available, notwithstanding that such amount may be less than the Adjusted Required Redemption Amount.

Following the service of a Notice to Pay, in addition to offering Selected Loans for sale to Purchasers in respect of the Earliest Maturing Covered Bonds, the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) or the Cash Manager (on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) may (subject to the right of pre-emption in favour of the Seller in the Mortgage Sale Agreement and/or the Declaration of Assets Trust) offer for sale an additional portfolio of Selected Loans in respect of other Series of Covered Bonds.

The Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) or the Cash Manager (on behalf of the Covered Bond Guarantor or the CBG Beneficiary, as the case may be) is also permitted to offer for sale to Purchasers part of any portfolio of Selected Loans (a "**Partial Portfolio**"). Where a Notice to Pay has been served, except in circumstances where the portfolio of Selected Loans is being sold for a price less than the price described in (a) or (b) above, the sale price of the Partial Portfolio (as a proportion of the Adjusted Required Redemption Amount) shall be at least equal to the proportion that the Partial Portfolio bears to the relevant portfolio of Selected Loans.

The terms of any sale and purchase agreement with respect to the sale of Selected Loans (except where the Seller is buying the Selected Loans in accordance with its right of pre-emption under the Mortgage Sale Agreement and/or the Declaration of Assets Trust) will be subject to obtaining a Rating Agency Confirmation in respect of such sale and the relevant sale and purchase agreement will:

- (i) not include any representations and warranties from the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) or the Seller unless expressly agreed by the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) and the Seller, as the case may be (each acting in its discretion); and
- (ii) require a cash payment from the Relevant Purchasers in immediately available funds on or prior to the date of sale of the Selected Loans.

The sale of Selected Loans which are Non-CPF Loans and their Related Security (see above in relation to Converted Loans) will require a notice of assignment to be given by the Seller to the Borrower, Mortgagor, surety, guarantor and/or any other relevant counterparty and the Non-CPF Loans and their Related Security are transferred by the Seller to the Covered Bond Guarantor and, where applicable, registered with the appropriate authority(ies).

In respect of Selected Loans which are CPF Loans, where legal title is required to be transferred to a Purchaser, the CBG Beneficiary and the Assets Trustee will use reasonable endeavours to obtain the Requisite CPF Loan Legal Title Transfer Approvals (unless the consent of the CPF Board to the transfer of the Mortgages relating to CPF Loans is not required). Prior to any Requisite CPF Loan Legal Title Transfer Approvals being obtained and unless the consent of the CPF Board to the transfer of the Mortgages relating to CPF Loans is not required the CBG Beneficiary and the Assets Trustee shall use reasonable endeavours to concurrently seek all of the Requisite CPF Loan Legal Title Transfer Approvals (set out in paragraphs (a) to (c) of the definition of such term) necessary to effect such transfer. Please see the section "*Declaration of Assets Trust – Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee*" above.

Following any sale of Selected Loans which are CPF Loans and surrender to the Seller of the CBG Beneficiary's beneficial interest therein, the Assets Trustee shall also, in accordance with the terms and conditions of the Declaration of Assets Trust, make a Distribution to the CBG Beneficiary. Following such Distribution, the relevant Selected Loans will, pursuant to and in accordance with the terms of the Declaration of Assets Trust, cease to be Trust Assets. Converted Loans and Affected BB Loans shall be excluded from any sale of Selected Loans.

Sale of Top-up Loans

In the event of any sale (or interest surrendered, as the case may be) of Loans (including Defaulted Loans and Selected Loans) and their Related Security by the Covered Bond Guarantor or the Assets Trustee (on behalf of the CBG Beneficiary), any related Top-up Loans shall be offered for sale as part of the same offer (such Loans, Related Security and related Top-up Loans which are being sold being referred to as the "**Single Mortgage Bundle**"). The Covered Bond Guarantor or the Assets Trustee (on behalf of the CBG Beneficiary) will identify any such related Top-up Loans in the relevant Loan Repurchase Notice, Defaulted Loans Notice or Selected Loans Offer Notice.

Where such Top-up Loans are sold (or interest surrendered, as the case may be) to the Seller, the purchase price for such Top-up Loans will be an amount determined in accordance with the Declaration of Assets Trust or, as the case may be, the Mortgage Sale Agreement. Where the Seller and the Ancillary Intercompany Loan Provider are the same entity and title to the Top-up Loans has not been perfected, the Covered Bond Guarantor's rights, estate, interests, title, benefits and remedies to such Top-up Loans will be reassigned, released and surrendered and the CBG Beneficiary's rights, estate, interests, title, benefits and remedies to such Top-up Loans will be released and surrendered such that they vest completely in favour of the Ancillary Intercompany Loan Provider, in each case, free from the Security Interest created by the Singapore Deed of Charge.

Where such Top-up Loans are sold to a Purchaser who is not the Seller, the purchase price for such Top-up Loans will be an amount equal to the purchase price for the Single Mortgage Bundle less the purchase price for the Loans comprised in the Single Mortgage Bundle as agreed between the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) and the Purchaser at the point of the sale.

The proceeds from any sale of Top-up Loans will be used to repay Deemed Ancillary Intercompany Loan Advances outside the Priorities of Payments.

Limit on investing in Substitution Assets and Authorised Investments

Prior to the service of an Asset Coverage Test Breach Notice (which has not been revoked) or a Notice to Pay or Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor or following revocation of an Asset Coverage Test Breach Notice, the Cash Manager on behalf of the Covered Bond Guarantor will be permitted to invest Available Revenue Receipts, Available Principal Receipts and the proceeds of Advances and Subordinated Advances standing to the credit of the CBG Accounts in Substitution Assets, **provided that** such investments are made in accordance with the terms of the Cash Management Agreement and do not contravene or result in the contravention of MAS Notice 648, as amended from time to time and/or such other notices, regulations and rules which may be introduced by the MAS from time to time. Depositing any amounts in any CBG Account will not constitute an investment in Substitution Assets for these purposes.

Following service of an Asset Coverage Test Breach Notice (which has not been revoked) or a Notice to Pay on the Covered Bond Guarantor, all Substitution Assets may be sold by the Covered Bond Guarantor (or the Cash Manager on its behalf) for the best price possible taking into account market conditions at that time and the nature of the Substitution Assets and the proceeds credited to the Transaction Account.

The Cash Manager on behalf of the Covered Bond Guarantor may at any time (including both prior to and following service of a Notice to Pay) invest some or all available funds in Authorised Investments, **provided that** such investments are made in accordance with the terms of the Cash Management Agreement and do not contravene or result in the contravention of MAS Notice 648, as amended or replaced from time to time and/or such other notices, regulations and rules which may be introduced by the MAS from time to time.

Other provisions

The allocation and distribution of Revenue Receipts, Principal Receipts and all other amounts received by the Covered Bond Guarantor is described under "*Cashflows and Priorities of Payments*".

The Establishment Deed is governed by Singapore law.

Cash Management Agreement

The Cash Manager will provide certain cash management services to the Covered Bond Guarantor, the CBG Beneficiary, the Assets Trustee, the All Monies Trustee and the Security Trustee pursuant to the terms of the Cash Management Agreement entered into on or about the Programme Date (as amended, restated, supplemented or novated from time to time) between the Covered Bond Guarantor, the CBG Beneficiary, the Issuer in its capacities as the Seller, the Assets Trustee, the Servicer, the Cash Manager, the All Monies Beneficiary, the All Monies Trustee and the Security Trustee and Bond Trustee.

The Cash Manager's services include, but are not limited to:

- (a) maintaining the Ledgers on behalf of the Covered Bond Guarantor and the Assets Trustee;
- (b) making an Additional Contribution to the Assets Trustee to acquire New Loans (which are CPF Loans) and their Related Security (and any related Top-up Loans) from the Seller pursuant to the terms of the Declaration of Assets Trust;
- (c) maintaining records of all Authorised Investments and/or Substitution Assets, as applicable;
- (d) applying the Revenue Receipts and the Principal Receipts in accordance with the Priorities of Payments (described under "*Cashflows and Priorities of Payments*");
- (e) determining whether the Asset Coverage Test is satisfied on each Test Date (as of the immediately preceding Calculation Date) in accordance with the Establishment Deed, as more fully described under "*Credit Structure including Asset Tests – Asset Coverage Test*";
- (f) determining whether the Amortisation Test is satisfied on each Test Date (as of the immediately preceding Calculation Date) following an Issuer Event of Default and service of a Notice to Pay on the Covered Bond Guarantor in accordance with the Establishment Deed, as more fully described under "*Credit Structure including Asset Tests – Amortisation Test*";
- (g) on each Pre-Maturity Test Date, determining whether the Pre-Maturity Test for each Series of Hard Bullet Covered Bonds is satisfied, as more fully described under "*Credit Structure including Asset Tests – Pre-Maturity Liquidity*";
- (h) providing the Asset Monitor with all necessary information to allow it to comply with its obligations under the Asset Monitor Agreement;
- (i) making the calculations and determinations required by the Intercompany Loan Agreement; and
- (j) preparation of Investor Reports for the Covered Bondholders, the Rating Agencies, the Security Trustee and the Bond Trustee.

In certain circumstances, the Covered Bond Guarantor, the Assets Trustee (with the consent of or as directed by the CBG Beneficiary), the CBG Beneficiary, the All Monies Trustee and the Security Trustee will each have the right to terminate the appointment of the Cash Manager, in which event, each of the Covered Bond Guarantor, the Assets Trustee (with the consent of or as directed by the CBG Beneficiary), the CBG Beneficiary and the All Monies Trustee will use its reasonable endeavours to appoint a substitute cash manager. The termination will only take effect once the substitute cash manager has been appointed. Any substitute cash manager will have substantially the same rights and obligations as the Cash Manager (although the fee payable to the substitute cash manager may be higher).

Pursuant to the terms of the Cash Management Agreement, the Cash Manager is not liable for a failure to perform its obligations and shall be relieved from its obligations if it is rendered unable to carry out its obligations due to circumstances beyond its control, such as electricity power cuts, earthquakes, storms or acts of God.

The Cash Management Agreement is governed by Singapore law.

The Covered Bond Guarantor will pay a monthly administrative fee to the Cash Manager and will reimburse the Cash Manager for all its costs and expenses properly incurred in acting as Cash Manager, as applicable. Any remuneration, costs and expenses paid by the Covered Bond Guarantor to the Cash Manager shall be paid subject to and in accordance with the applicable Priorities of Payments.

Subordinated Loan Agreement

From time to time, the Issuer as subordinated loan provider (the "**Subordinated Loan Provider**") may make Subordinated Advances to the Covered Bond Guarantor (the "**Subordinated Loan Facility**").

Except in the case of Deemed Subordinated Advances (see below), the Subordinated Loan Facility is uncommitted and the Subordinated Loan Provider is not obliged to make Subordinated Advances to the

Covered Bond Guarantor and may elect to make or decline the requested Subordinated Advances in its absolute discretion.

Each Subordinated Advance (other than Deemed Subordinated Advances) must be used by the Covered Bond Guarantor or, as the case may be, the CBG Beneficiary:

- (a) to purchase New Loans which are Non-CPF Loans and their Related Security from the Seller, from time to time in accordance with the terms of the Mortgage Sale Agreement;
- (b) to make Additional Contributions to the Assets Trustee to acquire New Loans which are CPF Loans and their Related Security from the Seller pursuant to the terms of the Declaration of Assets Trust;
- (c) to invest in Authorised Investments and/or Substitution Assets in each case in accordance with the Establishment Deed;
- (d) to make a deposit of the proceeds in the Transaction Account (including, without limitation, to fund the Reserve Fund and/or the Pre-Maturity Liquidity Ledger, in each case, in accordance with the Establishment Deed); and/or
- (e) for any other purpose in the event that the Intercompany Loan Facility Amount has been exceeded.

Where amounts are not able to constitute Deemed Advances under the Intercompany Loan Agreement because the Deemed Advance Preconditions are not satisfied, they will constitute "**Deemed Subordinated Advances**".

The Cash Manager may request Subordinated Advances on behalf of the Covered Bond Guarantor and the CBG Beneficiary in order to enable the Covered Bond Guarantor and the CBG Beneficiary to meet their respective obligations under the Transaction Documents.

The Subordinated Loan will bear interest as set out in the Subordinated Loan Agreement.

Prior to the service of an Asset Coverage Test Breach Notice, a Notice to Pay or a Covered Bond Guarantor Acceleration Notice or following revocation of an Asset Coverage Test Breach Notice, the Covered Bond Guarantor and the CBG Beneficiary shall make repayments to the Subordinated Loan Provider on each CBG Payment Date if, and to the extent that, there are sufficient Available Principal Receipts and (if the Cash Manager or the Subordinated Loan Provider so elects) Available Revenue Receipts to make such payment in accordance with the applicable Priority of Payments. The Subordinated Loan will be subordinated to, *inter alia*, payments of principal and interest on the Intercompany Loan and the Covered Bond Guarantee, and all other payments or provisions ranking in priority to payments to be made to the Subordinated Loan Provider, in each case, in accordance with the applicable Priorities of Payments.

The Subordinated Loan Agreement is governed by Singapore law.

Ancillary Intercompany Loan Agreement

Deemed Ancillary Intercompany Loan Advances will arise under the Ancillary Intercompany Loan Agreement if:

- (a) the CBG Beneficiary acquires an interest in a Top-up Loan in connection with a CPF Loan in the Portfolio or in connection with the acquisition of a CPF Loan and its Related Security under the terms of the Declaration of Assets Trust and such Top-up Loan is subject to the Assets Trust;
- (b) a Top-up Loan is sold and assigned by the Seller to the Covered Bond Guarantor in connection with a Non-CPF Loan in the Portfolio or in connection with the acquisition of a Non-CPF Loan and its Related Security in accordance with the terms of the Mortgage Sale Agreement; and/or
- (c) as at any Calculation Date, there is an increase in the outstanding balance of a Top-up Loan referred to in (a) or (b) above.

Top-up Loans (and proceeds from the sale thereof) and Top-up Receipts will not form part of the cashflows or assets that are applied by the Covered Bond Guarantor or the Security Trustee in accordance with any Priorities of Payments.

Repayment of the Ancillary Intercompany Loan

The outstanding principal amount of the Ancillary Intercompany Loan at any time will equal the aggregate amount of Deemed Ancillary Intercompany Loan Advances minus the sum of any repayments. The Covered Bond Guarantor and the CBG Beneficiary shall make repayments to the Ancillary Intercompany Loan Provider on each CBG Payment Date. The Ancillary Intercompany Loan will be repayable (from Top-up Receipts and/or proceeds from the sale of Top-up Loans) outside the Priorities of Payments.

The Ancillary Intercompany Loan Agreement is governed by Singapore law.

Interest Rate Swap Agreement(s)

The Covered Bond Guarantor may from time to time enter into an Interest Rate Swap with an Interest Rate Swap Provider in order to provide a hedge against possible variances between the interest revenues received by the Covered Bond Guarantor, being primarily linked to the rates of interest payable on the Loans in the Portfolio (which may, for instance, include variable rates of interest or fixed rates of interest), and the interest amounts payable on the Intercompany Loan and (following the service of a Notice to Pay on the Covered Bond Guarantor) the Covered Bond Swap Agreement (or, if no Covered Bond Swap is in place, the Covered Bonds). The Covered Bond Guarantor may enter into an Interest Rate Swap Agreement with SCBSL (in its capacity as Interest Rate Swap Provider). The Covered Bond Guarantor may from time to time enter into an Interest Rate Swap under any such Interest Rate Swap Agreement. If an Interest Rate Swap is entered into under an Interest Rate Swap Agreement, the Covered Bond Guarantor shall pay to the Interest Rate Swap Provider an amount equal to the product of the notional amount of the relevant Interest Rate Swap applicable to the relevant calculation period, the relevant fixed rate and the relevant day count fraction for such calculation period and in exchange the Interest Rate Swap Provider shall pay to the Covered Bond Guarantor an amount equal to the product of the notional amount of the relevant Interest Rate Swap applicable to the relevant calculation period, the relevant floating rate and the relevant day count fraction for such calculation period, plus a margin (if applicable). The amount received by the Covered Bond Guarantor from the Interest Rate Swap Provider under any Interest Rate Swap Agreement shall be used towards payment of the interest payable on the Intercompany Loan and, following the service of a Notice to Pay on the Covered Bond Guarantor, the amounts payable by the Covered Bond Guarantor under the Covered Bond Swap Agreements (or, if no Covered Bond Swaps are in place, the Covered Bonds), plus, in each case, a certain amount for expenses.

The notional amount of any Interest Rate Swap shall be specified in the swap confirmation in respect of such Interest Rate Swap.

In the event that the relevant rating(s) of an Interest Rate Swap Provider (if any), or any guarantor, as applicable, is or are, as applicable, downgraded by a Rating Agency below the rating(s) specified in the relevant Interest Rate Swap Agreement (in accordance with the expectations of that Rating Agency) for such Interest Rate Swap Provider, and, where applicable, as a result of the downgrade, the then current rating(s) of the Covered Bonds would or may, as applicable, be adversely affected, such Interest Rate Swap Provider will be required to take certain remedial measures which may include providing collateral for its obligations, arranging for its obligations to be transferred to an entity with the ratings expected by the relevant Rating Agency to ensure that the then current rating(s) of the Covered Bonds would not be downgraded or procuring another entity with the ratings expected by the relevant Rating Agency to become co-obligor in respect of its obligations under the relevant Interest Rate Swap Agreement. Such remedial actions will be notified to the relevant Rating Agency. A failure to take such steps will allow the Covered Bond Guarantor to terminate the Interest Rate Swap (if any) under the relevant Interest Rate Swap Agreement.

Additionally, an Interest Rate Swap (if any) may also be terminated in the following circumstances (each referred to as an "**Interest Rate Swap Early Termination Event**"):

- (a) at the option of either party to the relevant Interest Rate Swap Agreement, if there is a failure by the other party to pay any amounts due under such Interest Rate Swap (if any) and such failure is not remedied on or before the third Business Day after notice of such failure is given to the party;
- (b) at the option of the Covered Bond Guarantor, if there is a failure by the relevant Interest Rate Swap Provider (if any) to perform any agreement or obligation (other than an obligation under (a) above)

in accordance with the relevant Interest Rate Swap Agreement and such failure is not remedied within 30 days of a notice of such failure being given to the Covered Bond Guarantor;

- (c) at the option of the Covered Bond Guarantor, if there is a misrepresentation by the relevant Interest Rate Swap Provider (if any) as set out in the relevant Interest Rate Swap Agreement;
- (d) if there is a change in law which results in the illegality of the obligations to be performed by either party under the relevant Interest Rate Swap Agreement;
- (e) at the option of the relevant Interest Rate Swap Provider (if any), if any of the Priorities of Payments is amended (other than in accordance with the Transaction Documents) without the consent of the relevant Interest Rate Swap Provider (if any) such that the Covered Bond Guarantor's obligations to the relevant Interest Rate Swap Provider (if any) under the relevant Interest Rate Swap Agreement are further contractually subordinated to the Covered Bond Guarantor's obligations to any other Secured Creditor than they were as of the date of the relevant Interest Rate Swap Agreement;
- (f) upon the occurrence of the insolvency of the relevant Interest Rate Swap Provider (if any), or any guarantor and certain insolvency-related events in respect of the Covered Bond Guarantor;
- (g) upon the merger of the relevant Interest Rate Swap Provider (if any) without an assumption of all of its obligations under the relevant Interest Rate Swap Agreement;
- (h) in certain circumstances, if a deduction or withholding for or on account of taxes is imposed on payments under the Interest Rate Swap (if any);
- (i) if any of the Transaction Documents becomes void or unenforceable and, in the opinion of the relevant Interest Rate Swap Provider, acting in good faith and a commercially reasonable manner, this results in a material adverse effect on the rights of the relevant Interest Rate Swap Provider under the Transaction Documents or the relevant Interest Rate Swap Agreement; or
- (j) upon the service by the Bond Trustee of a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor.

Upon the termination of the relevant Interest Rate Swap (if any) pursuant to an Interest Rate Swap Early Termination Event, the Covered Bond Guarantor or the relevant Interest Rate Swap Provider (if any) may be liable to make a termination payment to the other in accordance with the provisions of the relevant Interest Rate Swap Agreement.

Any Swap Collateral Excluded Amounts will be paid to the Interest Rate Swap Provider (if any) directly and not via the Priorities of Payments.

If withholding taxes are imposed on payments made by the relevant Interest Rate Swap Provider (if any) under the relevant Interest Rate Swap Agreement, the relevant Interest Rate Swap Provider (if any) shall always be obliged to gross up these payments. If withholding taxes are imposed on payments made by the Covered Bond Guarantor to the relevant Interest Rate Swap Provider (if any) under the relevant Interest Rate Swap Agreement, the Covered Bond Guarantor shall not be obliged to gross up those payments.

Any termination payment made by an Interest Rate Swap Provider (if any) to the Covered Bond Guarantor in respect of the relevant Interest Rate Swap (if any) will first be used to the extent necessary to pay a replacement Interest Rate Swap Provider to enter into a replacement Interest Rate Swap Agreement with the Covered Bond Guarantor, unless a replacement Interest Rate Swap Agreement has already been entered into on behalf of the Covered Bond Guarantor. Any premium received by the Covered Bond Guarantor from a replacement Interest Rate Swap Provider in respect of a replacement Interest Rate Swap Agreement will first be used to make any termination payment due and payable by the Covered Bond Guarantor with respect to the previous Interest Rate Swap under the relevant Interest Rate Swap Agreement, unless such termination payment has already been made on behalf of the Covered Bond Guarantor.

Under each Interest Rate Swap Agreement, the Covered Bond Guarantor's obligations are limited in recourse solely to the funds specified in the Cash Management Agreement and/or the Deeds of Charge to be available for the purpose of making payments payable by the Covered Bond Guarantor to the Interest Rate Swap Provider that is a party to such Interest Rate Swap Agreement.

Each Interest Rate Swap Agreement will be governed by English law.

Covered Bond Swap Agreement

To provide a hedge against currency and/or interest rate risks in respect of amounts received by the Covered Bond Guarantor under the Loans and the Interest Rate Swap (if any) and amounts payable or that may become payable in respect of its obligations under the Covered Bond Guarantee, the Covered Bond Guarantor may enter into a Covered Bond Swap Agreement with SCBSL (in its capacity as Covered Bond Swap Provider), and may from time to time enter into one or more Covered Bond Swap Agreements with any other party as a Covered Bond Swap Provider, and may from time to time enter into one or more Covered Bond Swap under any such Covered Bond Swap Agreement in respect of a Series and/or Tranche of Covered Bonds at the time such Covered Bonds are issued. To the extent required by the terms of the relevant Covered Bond Swap, the relevant Covered Bond Swap Provider and the Covered Bond Guarantor will agree to swap SGD Equivalent amounts into foreign currency amounts reflecting the amounts payable under the relevant Series and/or Tranche of Covered Bonds. No cashflows will be exchanged under the relevant Covered Bond Swap Agreement (and the swaps thereunder will not become effective) unless and until the service of a Notice to Pay on the Covered Bond Guarantor.

If, prior to the Maturity Date in respect of the relevant Series and/or Tranche of Covered Bonds or (if an Extended Due for Payment Date is specified as applicable in the Pricing Supplement for a Series of Covered Bonds and the payment of the amount corresponding to the Final Redemption Amount or any part of it by the Covered Bond Guarantor under the Covered Bond Guarantee is deferred until the relevant Extended Due for Payment Date pursuant to Condition 5(a) (*Redemption by Instalments and Final Redemption*)) any Interest Payment Date thereafter up to (and including) the relevant Extended Due for Payment Date, the Covered Bond Guarantor notifies (pursuant to the terms of the Covered Bond Swap) the relevant Covered Bond Swap Provider of the amount in the Specified Currency to be paid by the Covered Bond Swap Provider on such Maturity Date or Interest Payment Date (such amount being equal to the Final Redemption Amount or the relevant portion thereof payable by the Covered Bond Guarantor on such Maturity Date or Interest Payment Date under the Covered Bond Guarantee in respect of the relevant Series and/or Tranche of Covered Bonds), the Covered Bond Swap Provider will pay the Covered Bond Guarantor such amount and the Covered Bond Guarantor will pay the Covered Bond Swap Provider the SGD Equivalent of such amount. Further, if on any day an Early Redemption Amount is payable pursuant to Condition 5(b) (*Early Redemption*), (if required) the Covered Bond Swap Provider will pay the Covered Bond Guarantor such amount (or the relevant portion thereof) and the Covered Bond Guarantor will pay the Covered Bond Swap Provider the SGD Equivalent thereof, following which the notional amount of the relevant Covered Bond Swaps will reduce accordingly.

Each Covered Bond Swap will terminate on the Maturity Date of the related Series and/or Tranche of Covered Bonds or, if the Covered Bond Guarantor is unable to pay in full Guaranteed Amounts corresponding to the Final Redemption Amount (whether or not it has notified the Covered Bond Swap Provider), on the final Interest Payment Date on which an amount representing the Final Redemption Amount of the related Series and/or Tranche of Covered Bonds is paid (but in any event not later than the Extended Due for Payment Date).

Under the terms of each Covered Bond Swap Agreement, in the event that the relevant rating(s) of the Covered Bond Swap Provider, or any guarantor, as applicable, is or are, as applicable, downgraded by a Rating Agency below the rating(s) specified in the relevant Covered Bond Swap Agreement (in accordance with the expectations of that Rating Agency) for the Covered Bond Swap Provider, and, where applicable, as a result of the downgrade, the then current rating(s) of the Covered Bonds would or may, as applicable, be adversely affected, the Covered Bond Swap Provider will, in accordance with the relevant Covered Bond Swap Agreement, be required to take certain remedial measures which may include providing collateral for its obligations under the Covered Bond Swap Agreement, arranging for its obligations under the Covered Bond Swap Agreement to be transferred to an entity with the ratings expected by the relevant Rating Agency to ensure that the then current rating(s) of the Covered Bonds would not be downgraded or procuring another entity with the ratings expected by the relevant Rating Agency to become co-obligor in respect of its obligations under the Covered Bond Swap Agreement. Such remedial actions will be notified to the relevant Rating Agency. A failure to take such steps will allow the Covered Bond Guarantor to terminate the Covered Bond Swaps entered into under that Covered Bond Swap Agreement.

A Covered Bond Swap may also be terminated in certain other circumstances (each referred to as a **"Covered Bond Swap Early Termination Event"**), including:

- (a) at the option of either party to the relevant Covered Bond Swap Agreement, if there is a failure by the other party to pay any amounts due under such Covered Bond Swap and such failure is not remedied on or before the third Business Day after notice of such failure is given to the party;
- (b) at the option of the Covered Bond Guarantor, if there is a failure by the relevant Covered Bond Swap Provider to perform any agreement or obligation (other than an obligation under (a) above) in accordance with the applicable Covered Bond Swap Agreement and such failure is not remedied within 30 days of a notice of such failure being given to the Covered Bond Guarantor;
- (c) at the option of the Covered Bond Guarantor, if there is a misrepresentation by the relevant Covered Bond Swap Provider as set out in the Covered Bond Swap Agreement;
- (d) if there is a change in law which results in the illegality of the obligations to be performed by either party under the relevant Covered Bond Swap Agreement;
- (e) at the option of the relevant Covered Bond Swap Provider, if any of the Priorities of Payments is amended (other than in accordance with the Transaction Documents) without the consent of such Covered Bond Swap Provider such that the Covered Bond Guarantor's obligations to such Covered Bond Swap Provider under the Covered Bond Swap Agreement are further contractually subordinated to the Covered Bond Guarantor's obligations to any other Secured Creditor than they were as of the date of the relevant Covered Bond Swap Agreement;
- (f) upon the occurrence of the insolvency of the relevant Covered Bond Swap Provider or any guarantor, and certain insolvency-related events in respect of the Covered Bond Guarantor;
- (g) upon the merger of the relevant Covered Bond Swap Provider without an assumption of all of its obligations under the relevant Covered Bond Swap Agreement;
- (h) in certain circumstances, if a deduction or withholding for or on account of taxes is imposed on payments under a Covered Bond Swap;
- (i) if any of the Transaction Documents becomes void or unenforceable and, in the opinion of the relevant Covered Bond Swap Provider, acting in good faith and a commercially reasonable manner, this results in a material adverse effect on the rights of such Covered Bond Swap Provider under the Transaction Documents or the Covered Bond Swap Agreement;
- (j) upon the service by the Bond Trustee of a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor;
- (k) upon the redemption and/or purchase and cancellation in whole or in part, of the related Series of Covered Bonds; or
- (l) the purchase and cancellation, in part, of a Series of Covered Bonds resulting in the aggregate notional amount of Covered Bond Swaps exceeding the aggregate principal amount of a Series of Covered Bonds.

Upon the termination of a Covered Bond Swap Agreement, the Covered Bond Guarantor or the relevant Covered Bond Swap Provider may be liable to make a termination payment to the other in accordance with the provisions of the relevant Covered Bond Swap Agreement. The amount of this termination payment will be calculated and made in Singapore dollars.

Any termination payment made by the Covered Bond Swap Provider to the Covered Bond Guarantor in respect of a Covered Bond Swap Agreement will first be used to the extent necessary (prior to the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantor Acceleration Notice and/or the commencement of winding-up proceedings against the Covered Bond Guarantor and/or realisation of the Security) to pay a replacement Covered Bond Swap Provider (or replacement Covered Bond Swap Providers) to enter into a replacement Covered Bond Swap with the Covered Bond Guarantor, unless a replacement Covered Bond Swap (or replacement Covered Bond Swaps) has already been entered into on behalf of the Covered Bond Guarantor. Any premium received by the

Covered Bond Guarantor from a replacement Covered Bond Swap Provider in respect of a replacement Covered Bond Swap will first be used to make any termination payment due and payable by the Covered Bond Guarantor with respect to the previous Covered Bond Swap under the relevant Covered Bond Swap Agreement, unless such termination payment has already been made on behalf of the Covered Bond Guarantor.

Any Swap Collateral Excluded Amounts will be paid to the Covered Bond Swap Provider directly and not via the Priorities of Payments.

If withholding taxes are imposed on payments made by any Covered Bond Swap Provider to the Covered Bond Guarantor under a Covered Bond Swap Agreement, such Covered Bond Swap Provider shall always be obliged to gross up those payments. If withholding taxes are imposed on payments made by the Covered Bond Guarantor to the Covered Bond Swap Provider under a Covered Bond Swap Agreement, the Covered Bond Guarantor shall not be obliged to gross up those payments.

In the event that the Covered Bonds are redeemed and/or cancelled in accordance with the Conditions (other than in accordance with Condition 5(a) (*Redemption by Instalments and Final Redemption*)), the Covered Bond Swap(s) in connection with such Covered Bonds will terminate or partially terminate, as the case may be. Swap termination payments (or partial termination payments) calculated in accordance with the terms of the Covered Bond Swap(s) may be due and payable in accordance with the terms of the relevant Covered Bond Swap(s) as a consequence thereof.

Under each Covered Bond Swap Agreement, the Covered Bond Guarantor's obligations are limited in recourse solely to the funds specified in the Cash Management Agreement and/or the Deeds of Charge to be available for the purpose of making payments payable by the Covered Bond Guarantor to the Covered Bond Swap Provider that is a party to such Covered Bond Swap Agreement.

The Covered Bond Swap Agreement will be governed by English law.

Bank Account Agreement

Pursuant to the terms of the Bank Account Agreement entered into on or about the Programme Date (as amended, restated, supplemented or novated from time to time) between, *inter alia*, the Covered Bond Guarantor, the CBG Beneficiary, the Account Bank, the Cash Manager and the Security Trustee, the Covered Bond Guarantor will maintain with the Account Bank the Transaction Account, which will be operated in accordance with the Bank Account Agreement, the Cash Management Agreement, the Establishment Deed and the Singapore Deed of Charge. On each CBG Payment Date, as applicable, amounts required to meet the Covered Bond Guarantor's various creditors will be transferred to the Payment Ledger on the Transaction Account and applied by the Cash Manager in accordance with the Priorities of Payments (see "*Cashflows and Priorities of Payments*"). The Covered Bond Guarantor, the CBG Beneficiary, the Assets Trustee, the All Monies Trustee, the All Monies Beneficiaries and the Cash Manager may, by serving a written notice of termination on the Account Bank and the Security Trustee, terminate the appointment of the Account Bank if any of the following matters occur:

- (a) if a deduction or withholding for or on account of any Tax is imposed, or it appears likely that such a deduction or withholding will be imposed, in respect of the interest payable on any CBG Account;
- (b) if the Account Bank breaches its obligations under the Bank Account Agreement, the Singapore Deed of Charge or any other Transaction Document to which the Account Bank is a party, **provided that** termination for such breach would not adversely affect the then ratings of the Covered Bonds; or
- (c) the Account Bank is relieved from its obligations under the Bank Account Agreement pursuant to circumstances beyond its control, such as electricity power cuts, earthquakes, storms or acts of God for a period of 30 consecutive Singapore Business Days,

and the Covered Bond Guarantor, the CBG Beneficiary, the Assets Trustee, the All Monies Trustee, the All Monies Beneficiaries and the Cash Manager must, by serving a written notice of termination on the Account Bank and the Security Trustee, terminate the appointment of the Account Bank if any of the following matters occur:

- (i) if the Account Bank ceases to be rated the Account Bank Required Ratings and, within 60 days of such occurrence: (A) the Covered Bond Guarantor does not close the Transaction Account, the Swap Collateral Account and the CBG Trust Account and open replacement accounts with a financial institution: (x) having the Account Bank Required Ratings; and (y) being a person which holds all requisite licences or authorisations to perform the obligations of the Account Bank under the Bank Account Agreement, including, without limitation, a bank licence under the Banking Act; or (B) the Account Bank does not obtain a guarantee of its obligations under the Bank Account Agreement from a financial institution having the Account Bank Required Ratings (in each case, **provided that** a Rating Agency Confirmation is obtained); or
- (ii) if an Insolvency Event occurs in respect of the Account Bank.

In the event the Transaction Account, the Swap Collateral Account and/or the CBG Trust Account is closed and a replacement account or accounts are opened with a replacement account bank, the Account Bank will use reasonable endeavours, taking into account market conditions at that time, to ensure that the replacement Transaction Account, Swap Collateral Account and/or CBG Trust Account do not bear negative interest. No termination of the appointment of the Account Bank pursuant to (a), (b), (i), (ii) or (iii) above shall take effect until a financial institution; (x) having the Account Bank Required Ratings; and (y) being a person which holds all requisite licences or authorisations to perform the obligations of the Account Bank under the Bank Account Agreement, including, without limitation, a bank licence under the Banking Act enter into an agreement in form and substance similar to the Bank Account Agreement.

The Account Bank is not liable for a failure to perform its obligations if it is unable to do so due to circumstances beyond its control, such as strike, computer failure or power cuts.

The Bank Account Agreement will be governed by Singapore law.

Corporate Services Agreement

The Covered Bond Guarantor has entered into a Corporate Services Agreement with, *inter alia*, CSCGlobal Corporate Services (Singapore) Pte. Ltd. (formerly known as Intertrust Singapore Corporate Services Pte. Ltd.) (as Corporate Services Provider) on or about the Programme Date (as amended, restated, supplemented or novated from time to time), pursuant to which the Corporate Services Provider has agreed to provide to the Covered Bond Guarantor certain corporate services and such other services as the Cash Manager may delegate to it from time to time.

The Corporate Services Agreement is governed by Singapore law.

The Covered Bond Guarantor will pay certain fees to the Corporate Services Provider and will reimburse the Corporate Services Provider for all its costs and expenses properly incurred in acting as Corporate Services Provider, as applicable. Any remuneration, costs and expenses paid by the Covered Bond Guarantor to the Corporate Services Provider shall be paid subject to and in accordance with the applicable Priority of Payments.

Deeds of Charge

Pursuant to the terms of the Deeds of Charge entered into on or about the Programme Date (as amended, restated, supplemented or novated from time to time) by the Covered Bond Guarantor, the Assets Trustee, the CBG Beneficiary, the Security Trustee and the other Secured Creditors, the secured obligations of the Covered Bond Guarantor and the CBG Beneficiary and all other obligations of the Covered Bond Guarantor and the CBG Beneficiary under or pursuant to the Transaction Documents to which it is a party are secured, *inter alia*, by the following security (the "**Security**") over the following property, assets and rights (the "**Charged Property**"):

- (a) a first fixed charge (which may take effect as a floating charge) over the Covered Bond Guarantor's and (on behalf of the CBG Beneficiary) the Assets Trustee's rights, estate, title, interests, benefits and remedies, (both present and future) in, to and under the Portfolio in respect of the Loans and their Related Security (and any related Top-up Loans) and all other related rights under the same;
- (b) a first fixed charge (which may take effect as a floating charge) over the CBG Beneficiary's rights, estate, title, interests, benefits and remedies (both present and future) in, to and under the Trust Assets (to the extent not charged under (a) above) and all other related rights under the same;

- (c) a valid assignment by way of first fixed security over all of the rights, estate, title, interests, benefits and remedies (both present and future) of each of the Covered Bond Guarantor and the Assets Trustee on behalf of the CBG Beneficiary in, to and under the Insurance Policies;
- (d) a valid assignment by way of first fixed security (which may take effect as a floating charge) over all of the Covered Bond Guarantor's and (on behalf of the CBG Beneficiary) the Assets Trustee's rights, estate, title, interests, benefits and remedies (both present and future) in, to and under any Transaction Document to which it is a party (and, in respect of any Interest Rate Swap and Covered Bond Swap, after giving effect to all applicable netting provisions therein) (created under, in respect of Transaction Documents governed by Singapore law, the Singapore Deed of Charge or, in respect of the Transaction Documents governed by English law, the English Security Trust Deed);
- (e) a first fixed charge (which may take effect as a floating charge) over the rights, estate, title, interests, benefits and remedies (both present and future) of the Covered Bond Guarantor in, to and under all monies standing to the credit of the Transaction Account (including any Excess Proceeds), the Swap Collateral Account, the CBG Trust Account and any other account of the Covered Bond Guarantor;
- (f) a first fixed charge (which may take effect as a floating charge) over the rights, estate, title, interests, benefits and remedies (both present and future) of the Covered Bond Guarantor in, to and under or in respect of any Authorised Investments and Substitution Assets purchased from time to time using monies standing to the credit of the Transaction Account for the time being owned by it; and
- (g) a first floating charge over all the property, assets, rights and revenues, whatsoever and wheresoever, both present and future, and the whole of the undertaking of the Covered Bond Guarantor and the Assets Trustee on behalf of the CBG Beneficiary (including over the assets of the Covered Bond Guarantor governed by English law).

The CBG Beneficiary has covenanted in the Singapore Deed of Charge that it shall not call, request or act in any manner to transfer legal title in any of the Trust Assets from the Assets Trustee to itself without the prior written consent of the Security Trustee. The Security Trustee has covenanted in the Singapore Deed of Charge that it shall not consent to any such transfer of legal title in the Trust Assets to the CBG Beneficiary in any circumstances.

Release of Security

In the event of any sale of Loans (including Selected Loans) and their Related Security (and any related Top-up Loans) (and any other related rights under the same) by or on behalf of the Covered Bond Guarantor or the surrender by the CBG Beneficiary of its interest in all or part of the Trust Assets, in each case, pursuant to and in accordance with the Transaction Documents, the Security Trustee shall, if so requested in writing by the Covered Bond Guarantor or the Assets Trustee on behalf of the CBG Beneficiary (at the sole cost and expense of the Covered Bond Guarantor or, as the case may be, the Assets Trustee), release, reassign or discharge those Loans and their Related Security (and any related Top-up Loans) (and any other related rights under the same) from the Security Interests created by and pursuant to the Singapore Deed of Charge on the date of such sale, **provided that:**

- (a) the Covered Bond Guarantor shall have provided to the Security Trustee a certificate from two Authorised Signatories of the Covered Bond Guarantor confirming that such sale of Loans and their Related Security (and any related Top-up Loans) (or, in the case of Trust Assets, the CBG Beneficiary's interest therein) has been made in accordance with the terms of the Transaction Documents and, in the case of Selected Loans only, that the Selected Loans being sold have been selected on a Random Basis; and
- (b) (except where the Seller is buying the Selected Loans in accordance with its right of pre-emption under the Mortgage Sale Agreement and/or the Declaration of Assets Trust) a Rating Agency Confirmation has been obtained in respect of any sale of Selected Loans and the required terms of the sale and purchase agreement in respect of such sale of Selected Loans has been met, in accordance with the Establishment Deed.

In the event of any sale of related Top-up Loans by the Covered Bond Guarantor pursuant to and in accordance with the Transaction Documents, the Security Trustee will (subject to the written request of the Covered Bond Guarantor) release those Top-up Loans from the Security created by and pursuant to the Singapore Deed of Charge on the date of such sale.

In the event of any reassignment, release and surrender or transfer (as applicable) of the Covered Bond Guarantor's equitable rights, estate, interests, title, benefits and remedies to the Demand Loan Repayment Assets by or on behalf of the Covered Bond Guarantor pursuant to and in accordance with the Transaction Documents, such Loans and their Related Security (and any other related rights under the same) (or, in the case of Trust Assets, the CBG Beneficiary's rights, estate, title, interests, benefits and remedies in, to and under the Trust Assets) shall be automatically deemed reassigned, released or discharged from the Security Interests pursuant to the terms of the Singapore Deed of Charge on the date of such repayment of the Demand Loan.

The Security Trustee and the Bond Trustee shall not be responsible for monitoring whether or not: (i) in the event of any sale of Loans (including Selected Loans) and their Related Security (and any related Top-up Loans) by the Covered Bond Guarantor (or, in the case of Trust Assets, the surrender by the CBG Beneficiary of its of its rights, estate, title, interests, benefits and remedies in, to and under the Trust Assets) as described above, such sale and/or surrender is made or has been made in accordance with the terms of the Transaction Documents; (ii) the Loans and their Related Security (and any related Top-up Loans) which are the subject of such sale and/or surrender have been so released, reassigned and/or discharged from the Security Interests under the Singapore Deed of Charge; (iii) in the case of Selected Loans only, such Loans have been selected on a Random Basis; (iv) in the event of the repurchase of a Non-CPF Loan and its Related Security (and any related Top-up Loans) by the Seller and/or the surrender of the Trust Assets in relation to the CPF Loans and their Related Security (and any related Top-up Loans) by the CBG Beneficiary to the Seller as described above, any such repurchase and/or surrender has been made or completed in accordance with the terms of the Transaction Documents and such Loan and its Related Security (and any related Top-up Loans) have been so released, reassigned and/or discharged from the Security Interests under the Singapore Deed of Charge; and/or (v) whether or not any such sale and/or surrender has been effected on terms commercially available in the market or effected in a timely manner. Neither the Security Trustee nor the Bond Trustee shall be liable to any person for any loss occasioned thereby.

Enforcement

If a Covered Bond Guarantor Acceleration Notice is served on the Covered Bond Guarantor, the Bond Trustee will be entitled to direct the Security Trustee to appoint a receiver, and/or enforce the Security constituted by the Deeds of Charge (including selling all or part of the Portfolio), and/or take such steps as it may think fit to enforce the Security, subject, in each case, to the Bond Trustee and the Security Trustee each being indemnified and/or secured and/or pre-funded to its satisfaction. All proceeds received by the Security Trustee from the enforcement or realisation of the Security will be applied in accordance with the Post-Enforcement Priority of Payments described under "*Cashflows and Priorities of Payments*".

The Singapore Deed of Charge is governed by Singapore law. The English Security Trust Deed (creating security over the Transaction Documents which are governed by English law) is governed by English law, save that defined terms incorporated by reference from the Master Definitions Agreement shall be governed by and construed in accordance with Singapore law.

GST

Sums payable by the Covered Bond Guarantor deemed to be exclusive of any GST

Any sum payable by the Covered Bond Guarantor which constitutes the consideration for any supply for GST purposes is deemed to be exclusive of any GST which is chargeable on that supply. If GST is or becomes chargeable on any supply made by a party to the Covered Bond Guarantor under a Transaction Document, the Covered Bond Guarantor must pay to such party (in addition and at the same time as paying the consideration for such supply) an amount equal to the amount of such GST.

CREDIT STRUCTURE INCLUDING ASSET TESTS

The Covered Bonds will be direct, unsecured and unsubordinated obligations of the Issuer. The Covered Bond Guarantor has no obligation to pay the Guaranteed Amounts under the Covered Bond Guarantee until the occurrence of an Issuer Event of Default, service by the Bond Trustee on the Issuer of an Issuer Acceleration Notice and on the Covered Bond Guarantor of a Notice to Pay or, if earlier, following the occurrence of a Covered Bond Guarantor Event of Default and service by the Bond Trustee of a Covered Bond Guarantor Acceleration Notice. The Issuer will not be relying on payments by the Covered Bond Guarantor in respect of the Advances or receipt of Revenue Receipts or Principal Receipts from the Portfolio in order to pay interest or repay principal under the Covered Bonds.

There are a number of features of the Programme which enhance the likelihood of timely and, as applicable, ultimate payments to the Covered Bondholders, as follows:

- (a) the Covered Bond Guarantee provides credit support to the Issuer;
- (b) the Asset Coverage Test is intended to test the asset coverage of the Covered Bond Guarantor's assets in respect of the Covered Bonds at all times;
- (c) the Pre-Maturity Test is intended to provide liquidity to the Covered Bond Guarantor in respect of principal due on the Maturity Date of Hard Bullet Covered Bonds;
- (d) the Amortisation Test is intended to test the asset coverage of the Covered Bond Guarantor's assets in respect of the Covered Bonds following the occurrence of an Issuer Event of Default, service of an Issuer Acceleration Notice on the Issuer and service of a Notice to Pay on the Covered Bond Guarantor; and
- (e) a Reserve Fund (unless the Issuer's short-term unsecured and unsubordinated debt obligations are rated at least P-1 by Moody's and A-1 by S&P) will be established in the Transaction Account to trap Available Revenue Receipts.

Certain of these factors are considered more fully in the remainder of this section.

Covered Bond Guarantee

The Covered Bond Guarantee provided by the Covered Bond Guarantor under the Bond Trust Deed guarantees payment of Guaranteed Amounts when the same become Due for Payment in respect of all Covered Bonds issued under the Programme. The Covered Bond Guarantee will not guarantee any amount becoming payable for any other reason, including any accelerated payment pursuant to Condition 9 (*Events of Default*) following the occurrence of an Issuer Event of Default. In this circumstance (and until a Covered Bond Guarantor Event of Default occurs and a Covered Bond Guarantor Acceleration Notice is served), the Covered Bond Guarantor's obligations will only be to pay the Guaranteed Amounts as they fall Due for Payment.

See further "*Summary of the Principal Documents – Bond Trust Deed*" as regards the terms of the Covered Bond Guarantee. See further "*Cashflows and Priorities of Payments – Allocation and Distribution of Monies following service of a Notice to Pay*" as regards the payment of amounts payable by the Covered Bond Guarantor to the Covered Bondholders and other Secured Creditors following the occurrence of an Issuer Event of Default.

Pre-Maturity Liquidity

Certain Series of Covered Bonds are Hard Bullet Covered Bonds. The applicable Pricing Supplement will identify whether any Series of Covered Bonds is a Series of Hard Bullet Covered Bonds. The Pre-Maturity Test is intended to provide liquidity for the Hard Bullet Covered Bonds when the Issuer's credit ratings cease to meet specified ratings levels. On each Pre-Maturity Test Date prior to the occurrence of an Issuer Event of Default or the occurrence of a Covered Bond Guarantor Event of Default, the Covered Bond Guarantor (or the Cash Manager on its behalf) will determine if the Pre-Maturity Test has been breached and, if so, the Covered Bond Guarantor (or the Cash Manager on its behalf) will within three Singapore Business Days notify the Covered Bond Guarantor, the Seller, the Issuer, the Rating Agencies, the Bond Trustee and the Security Trustee thereof.

The Issuer will fail and be in breach of the Pre-Maturity Test in relation to a Series of Hard Bullet Covered Bonds on a Pre-Maturity Test Date if:

- (a) the rating from Moody's of the Issuer's short-term unsecured and unsubordinated debt obligations cease to be at least P-1 and the Maturity Date of the Series of Hard Bullet Covered Bonds falls within 12 months from the relevant Pre-Maturity Test Date; or
- (b) the rating from S&P of the Issuer's unsecured and unsubordinated debt obligations cease to be at least A-1 and the Maturity Date of the Series of Hard Bullet Covered Bonds falls within 12 months from the relevant Pre-Maturity Test Date.

Following a failure of the Pre-Maturity Test in respect of a Series of Hard Bullet Covered Bonds but prior to the service of a Notice to Pay, the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) will, taking into account any Advances or Subordinated Advances made by the Intercompany Loan Provider or the Subordinated Loan Provider and/or funded under the applicable Priorities of Payments, as soon as practicable offer to sell Selected Loans to Purchasers (subject to the Seller's right of pre-emption pursuant to the Mortgage Sale Agreement and/or the Declaration of Assets Trust) with the intention that there will be an amount standing to the credit of the Pre-Maturity Liquidity Ledger at least equal to the Required Redemption Amount of that Series of Hard Bullet Covered Bonds (taking into account the Required Redemption Amount of all other Series of Hard Bullet Covered Bonds which mature prior to or on the same date as the relevant Series of Hard Bullet Covered Bonds). See "*Summary of the Principal Documents – Establishment Deed – Method of Sale of Selected Loans*".

In addition to the sale of Loans (including Selected Loans) and their Related Security, the Pre-Maturity Liquidity Ledger may be funded by:

- (a) Advances and/or Subordinated Advances; and/or
- (b) to the extent permitted by the Priorities of Payments, Available Revenue Receipts and Available Principal Receipts.

Failure by the Issuer to pay the full amount due in respect of a Series of Hard Bullet Covered Bonds on the Maturity Date thereof (subject to applicable cure periods) will constitute an Issuer Event of Default.

Following service of a Notice to Pay on the Covered Bond Guarantor in relation to a Series of Hard Bullet Covered Bonds but prior to the service of a Covered Bond Guarantor Acceleration Notice, the Cash Manager must, on behalf of the Covered Bond Guarantor, apply funds standing to the credit of the Pre-Maturity Liquidity Ledger to repay the relevant Series of Hard Bullet Covered Bonds but shall cease to further fund the Pre-Maturity Liquidity Ledger in relation to that Series of Hard Bullet Covered Bonds. Following service of a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor, all amounts standing to the credit of the Pre-Maturity Liquidity Ledger will be applied in accordance with the Post-Enforcement Priority of Payments.

If the Issuer and/or the Covered Bond Guarantor fully repay the relevant Series of Hard Bullet Covered Bonds on the Maturity Date thereof, amounts standing to the credit of the Pre-Maturity Liquidity Ledger on the Transaction Account shall be applied by the Covered Bond Guarantor in accordance with (prior to service of a Notice to Pay) the Pre-Acceleration Principal Priority of Payments or the Pre-Acceleration Revenue Priority of Payments or (after service of a Notice to Pay on the Covered Bond Guarantor) the Guarantee Priority of Payments, unless the Issuer is failing the Pre-Maturity Test in respect of any other Series of Hard Bullet Covered Bonds, in which case, the amounts shall remain credited to the Pre-Maturity Liquidity Ledger to the extent required for such other Series of Hard Bullet Covered Bonds.

If the Issuer is no longer failing the Pre-Maturity Test, any amounts standing to the credit of the Pre-Maturity Liquidity Ledger shall be applied and paid in accordance with (prior to service of a Notice to Pay) the Pre-Acceleration Principal Priority of Payments or the Pre-Acceleration Revenue Priority of Payments or (after service of a Notice to Pay on the Covered Bond Guarantor) the Guarantee Priority of Payments on the next CBG Payment Date.

Failure to satisfy the Pre-Maturity Test in the circumstances set out in Condition 9(a)(vi) (*Breach of Pre-Maturity Test*) will result in the occurrence of an Issuer Event of Default.

Asset Coverage Test

The Asset Coverage Test is intended to test whether the Covered Bond Guarantor can meet its obligations under the Covered Bond Guarantee prior to the service of a Notice to Pay or a Covered Bond Guarantor Acceleration Notice.

The Asset Coverage Test is a formula which calculates the Adjusted Aggregate Loan Amount by adjusting the Principal Balance of the Loans in the Portfolio based on the methodologies and cashflow models as set out in the Establishment Deed, and has further adjustments to take into account, among other things, the failure by the Seller, in accordance with the Mortgage Sale Agreement, to repurchase Non-CPF Loans or, in accordance with the Declaration of Assets Trust, to accept surrender of the Trust Assets relating to CPF-Loans that do not materially comply with the Representations and Warranties (in respect of Loans and their Related Security in the Initial Portfolio) on the First Closing Date and (in respect of New Loans and their Related Security in a New Portfolio) on the date of the service of the relevant New Portfolio Notice and on the relevant Closing Date, and the value of any Authorised Investments and/or Substitution Assets. See *"Summary of the Principal Documents – Establishment Deed – Asset Coverage Test"*.

Under the Establishment Deed, the Cash Manager will on or prior to each Test Date test whether, as of the immediately preceding Calculation Date, the Adjusted Aggregate Loan Amount is in an amount equal to or in excess of the aggregate SGD Equivalent of the outstanding nominal amount of the Covered Bonds. If the Adjusted Aggregate Loan Amount is less than the SGD Equivalent of the aggregate outstanding nominal amount of all the Covered Bonds, all calculated as of such Calculation Date, the Covered Bond Guarantor (at the direction of the Cash Manager) will use all commercially reasonable endeavours to ensure that the Adjusted Aggregate Loan Amount is in compliance with the Asset Coverage Test by acquiring further Loans and their Related Security from the Seller and/or obtaining an Advance under the Intercompany Loan Agreement or a Subordinated Advance under the Subordinated Loan Agreement to ensure that the Asset Coverage Test is met as of the next Calculation Date.

If on the next following Test Date, the Adjusted Aggregate Loan Amount remains less than the SGD Equivalent of the aggregate outstanding nominal amount of all Covered Bonds (each calculated as of the Calculation Date immediately preceding that Test Date), the Asset Coverage Test will be breached and the Cash Manager shall notify the Covered Bond Guarantor, the Seller, the Issuer, the Bond Trustee and the Security Trustee promptly, whereupon the Bond Trustee shall serve an Asset Coverage Test Breach Notice on the Covered Bond Guarantor.

An Asset Coverage Test Breach Notice will be deemed to be revoked by the Bond Trustee if, on or before the first Test Date immediately succeeding service of an Asset Coverage Test Breach Notice, the Asset Coverage Test (as calculated as of the immediately preceding Calculation Date) is satisfied and neither a Notice to Pay nor a Covered Bond Guarantor Acceleration Notice has been served.

If an Asset Coverage Test Breach Notice has been served and is not revoked by the Bond Trustee on or before the first Test Date immediately succeeding service of an Asset Coverage Test Breach Notice on the Covered Bond Guarantor, then an Issuer Event of Default will occur and the Bond Trustee shall be entitled to serve an Issuer Acceleration Notice. Following service of an Issuer Acceleration Notice, the Bond Trustee must serve a Notice to Pay on the Covered Bond Guarantor.

Amortisation Test

The Amortisation Test is intended to test whether, following service of a Notice to Pay on the Covered Bond Guarantor (but prior to service on the Covered Bond Guarantor of a Covered Bond Guarantor Acceleration Notice), the assets of the Covered Bond Guarantor available to meet its obligations under the Covered Bond Guarantee have fallen to a level where Covered Bondholders may not be repaid, in which case, a Covered Bond Guarantor Event of Default will occur and all amounts owing under the Covered Bonds may be accelerated.

Under the Establishment Deed, the Amortisation Test will be satisfied as of each Calculation Date following the service of a Notice to Pay on the Covered Bond Guarantor (but prior to the service on the Covered Bond Guarantor of a Covered Bond Guarantor Acceleration Notice) if, as of that Calculation Date, the Amortisation Test Aggregate Loan Amount will be in an amount at least equal to the SGD Equivalent of the aggregate outstanding nominal amount of the Covered Bonds as calculated on or before the relevant Test Date. The Amortisation Test is a formula which adjusts the Principal Balance of the Loans in the

Portfolio based on the methodologies and cashflow models as set out in the Establishment Deed, and has further adjustments to take account of Defaulted Loans. See "*Summary of the Principal Documents – Establishment Deed – Amortisation Test*".

Failure to satisfy the Amortisation Test will result in the occurrence of a Covered Bond Guarantor Event of Default – see Condition 9(b) (*Covered Bond Guarantor Events of Default*).

Reserve Fund

If, on any Singapore Business Day prior to the service on the CBG of a Notice to Pay or a Covered Bond Guarantor Acceleration Notice, the Reserve Fund Required Amount (if applicable) exceeds the balance on the Reserve Ledger on that Singapore Business Day, the Cash Manager on behalf of the Covered Bond Guarantor will within five Singapore Business Days of such day: (a) request an Advance (under the Intercompany Loan Agreement); or (b) if such an Advance is not available for utilisation because the conditions precedent required to be satisfied before such an Advance can be made cannot be met, request a Subordinated Advance, in either case, for an amount equal to the difference between the Reserve Fund Required Amount and the balance on the Reserve Ledger for the purpose of depositing the proceeds of the Advance or the Subordinated Advance in the Transaction Account to fund the Reserve Fund.

"Reserve Fund Required Amount" means:

- (a) if, and for so long as, the Issuer's short-term unsecured and unsubordinated debt obligations are rated at least P-1 by Moody's and A-1 by S&P, nil or such other amount as the Issuer will direct the Covered Bond Guarantor from time to time;
- (b) if, and for so long as, the Issuer's short-term unsecured and unsubordinated debt obligations cease to be rated at least P-1 by Moody's but are rated at least A-1 by S&P, an amount equal to the SGD Equivalent of amounts of: (i) in relation to each Series of Covered Bonds where a Covered Bond Swap is in place, the aggregate amounts due to the relevant Covered Bond Swap Provider in the immediately following three months; and/or (ii) in relation to each Series of Covered Bonds where a Covered Bond Swap is not in place, the aggregate amount of interest due in respect of each such Series of Covered Bonds in the immediately following three months; and (iii) an amount equal to one-quarter of the anticipated aggregate annual amount payable in respect of the items specified in paragraphs (b) to (f) of the Pre-Acceleration Revenue Priority of Payments and, if applicable, paragraph (g) of the Pre-Acceleration Revenue Priority of Payments, **provided that**, in determining the amount of the Reserve Fund Required Amount where any amount in respect of the Covered Bonds or the Covered Bond Swaps is by reference to a floating rate, the rate will be at the then current floating rate as at the date on which the amount is calculated;
- (c) if, and for so long as, the Issuer's short-term, unsecured and unsubordinated debt obligations cease to be rated at least A-1 by S&P but are rated at least P-1 by Moody's, an amount equal to the SGD Equivalent of: (i) in relation to each Series of Covered Bonds where a Covered Bond Swap is in place and is provided by a party other than the Issuer (or a related party), the aggregate amounts due to the relevant Covered Bond Swap Provider in the immediately following three months; and/or (ii) in relation to each Series of Covered Bonds where a Covered Bond Swap is not in place and/or a Covered Bond Swap is provided by the Issuer (or a related party), the aggregate amount of interest due in respect of each such Series of Covered Bonds in the immediately following three months; and (iii) an amount equal to one-quarter of the anticipated aggregate annual amount payable in respect of the items specified in paragraphs (b) to (f) of the Pre-Acceleration Revenue Priority of Payments and, if applicable, paragraph (g) of the Pre-Acceleration Revenue Priority of Payments, **provided that**, in determining the amount of the Reserve Fund Required Amount where any amount in respect of the Covered Bonds or the Covered Bond Swaps is by reference to a floating rate, the rate will be at the then current floating rate as at the date on which the amount is calculated; or
- (d) if, and for so long as, the Issuer's short-term unsecured and unsubordinated debt obligations cease to be rated at least P-1 by Moody's and A-1 by S&P, the higher of the amounts determined in accordance with paragraphs (b) and (c) above.

A Reserve Ledger will be maintained by the Cash Manager to record the balance from time to time of the Reserve Fund. Following the service of a Notice to Pay or an Asset Coverage Test Breach Notice, amounts

standing to the credit of the Reserve Fund will be added to certain other income of the Covered Bond Guarantor in calculating Available Revenue Receipts.

Unless otherwise funded under the Intercompany Loan Agreement or the Subordinated Loan Agreement (at the option of the Lender thereunder), the Reserve Fund will be funded up to the Reserve Fund Required Amount from Available Revenue Receipts in accordance with the Pre-Acceleration Revenue Priority of Payments on each CBG Payment Date.

The balance on the Reserve Ledger in excess of the Reserve Fund Required Amount will form part of Available Principal Receipts (up to an amount equal to the amount drawn under the Intercompany Loan Agreement or the Subordinated Loan Agreement to fund the Reserve Fund) and (in respect of the remaining balance) Available Revenue Receipts and be applied accordingly.

CASHFLOWS AND PRIORITIES OF PAYMENTS

As described under "*Credit Structure including Asset Tests*", until a Notice to Pay or a Covered Bond Guarantor Acceleration Notice is served on the Covered Bond Guarantor, the Covered Bonds will be obligations of the Issuer only. The Issuer is liable to make payments when due on the Covered Bonds, whether or not the Issuer has ultimately received any corresponding payment from the Covered Bond Guarantor.

This section summarises the Priorities of Payments of the Covered Bond Guarantor as to the allocation and distribution of amounts standing to the credit of the CBG Accounts and their order of priority:

- (a) prior to service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice, a Notice to Pay or a Covered Bond Guarantor Acceleration Notice and/or realisation of the Security;
- (b) following service of an Asset Coverage Test Breach Notice (which has not been revoked);
- (c) following service of a Notice to Pay; and
- (d) following service of a Covered Bond Guarantor Acceleration Notice and/or realisation of the Security.

Calculation and Transfer of Available Revenue Receipts and Available Principal Receipts

- (a) On each Collection Calculation Date, the Covered Bond Guarantor or the Cash Manager on its behalf shall calculate:
 - (i) the amount of Available Revenue Receipts available for distribution on the next CBG Payment Date; and
 - (ii) the amount of Available Principal Receipts available for distribution on the next CBG Payment Date,in all cases, as of that Collection Calculation Date.
- (b) Unless the section headed "*Cashflows and Priorities of Payments – Allocation and Distribution of Monies following service of a Notice to Pay*" below applies, on each CBG Payment Date, the Cash Manager on behalf of the Covered Bond Guarantor will transfer:
 - (i) Available Revenue Receipts from the Revenue Ledger and the Reserve Ledger to the Payment Ledger on the Transaction Account, in an amount equal to the amount of Available Revenue Receipts standing to the credit of the Transaction Account; and
 - (ii) funds from the Principal Ledger to the Payment Ledger on the Transaction Account, in an amount equal to the amount of Available Principal Receipts standing to the credit of the Transaction Account.

Allocation and Distribution of Available Revenue Receipts prior to service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice, a Notice to Pay or a Covered Bond Guarantor Acceleration Notice or following revocation of an Asset Coverage Test Breach Notice

Prior to the service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice which has not been revoked, a Notice to Pay or a Covered Bond Guarantor Acceleration Notice or following the revocation of an Asset Coverage Test Breach Notice, Available Revenue Receipts shall be applied as described below.

On each CBG Payment Date prior to the service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice which has not been revoked, a Notice to Pay or a Covered Bond Guarantor Acceleration Notice or following the revocation of an Asset Coverage Test Breach Notice, the Cash Manager on behalf of the Covered Bond Guarantor will apply Available Revenue Receipts standing to the credit of the Payment Ledger on the Transaction Account as set out in paragraph (b)(i) above, to pay or provide for the following obligations of the Covered Bond Guarantor in the following order of priority (except for amounts under paragraph (e)(ii) below which shall be paid when due) (the "**Pre-Acceleration Revenue Priority of**

Payments") (in each case, only if and to the extent that payments or provisions of a higher priority have been made in full):

- (a) *first*, in or towards payment of all amounts (other than principal) then due and payable in respect of the Demand Loan pursuant to the terms of the Intercompany Loan Agreement;
- (b) *next*, in or towards payment of any liability of the Covered Bond Guarantor for Taxes;
- (c) *next*, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) the Bond Trustee's fees and any Costs then due and payable or to become due and payable to the Bond Trustee under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
 - (ii) the Security Trustee's fees and any Costs then due and payable or to become due and payable to the Security Trustee under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
 - (iii) the Agents' fees and any Costs then due and payable or to become due and payable to the Agents under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
 - (iv) the Corporate Services Provider's fees and any Costs then due and payable or to become due and payable to the Corporate Services Provider under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
 - (v) the Assets Trustee's fees and any Costs then due and payable or to become due and payable to the Assets Trustee under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date; and
 - (vi) on and following the occurrence of a Replacement Assets Trustee Event, any Replacement Assets Trustee's fees and any Costs then due and payable or to become due and payable to the Replacement Assets Trustee under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
- (d) *next*, in or towards payment of the Servicer's fees and any Costs then due and payable or to become due and payable to the Servicer under the provisions of the Servicing Agreement in the CBG Payment Period commencing on that CBG Payment Date;
- (e) *next*, in or towards payment *pro rata* and *pari passu* of:
 - (i) any fees and Costs then due and payable or to become due and payable in connection with the seeking of any Requisite CPF Loan Legal Title Transfer Approval under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date; and
 - (ii) any fees and Costs then due and payable by the Covered Bond Guarantor to any person (other than a party to a Transaction Document) and incurred without breach by the Covered Bond Guarantor of the Transaction Documents to which it is a party (and for which payment has not been provided for elsewhere in this Pre-Acceleration Revenue Priority of Payments) and any such amounts expected to become due and payable by the Covered Bond Guarantor in the CBG Payment Period commencing on that CBG Payment Date;
- (f) *next*, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) the Cash Manager's fees and any costs, charges, liabilities and expenses then due and payable or to become due and payable to the Cash Manager under the provisions of the Cash Management Agreement in the CBG Payment Period commencing on that CBG Payment Date;

- (ii) amounts (if any) then due and payable to the Account Bank (including any costs, charges, liabilities and expenses) pursuant to the terms of the Bank Account Agreement; and
 - (iii) amounts then due and payable to the Asset Monitor pursuant to the terms of the Asset Monitor Agreement;
- (g) *next*, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of all amounts then due and payable to the relevant Interest Rate Swap Provider (including any termination payment due and payable by the Covered Bond Guarantor under each relevant Interest Rate Swap Agreement, but excluding any Excluded Swap Termination Amount (except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers)) pursuant to the terms of each relevant Interest Rate Swap Agreement;
- (h) *next*, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of all amounts then due and payable or to become due and payable in the CBG Payment Period commencing on that CBG Payment Date to each relevant Covered Bond Swap Provider (other than in respect of principal or, in respect of cross-currency swaps, exchange amounts) in respect of each relevant Covered Bond Swap Agreement (including any termination payment due and payable by the Covered Bond Guarantor under each relevant Covered Bond Swap Agreement, but excluding any Excluded Swap Termination Amount (except to the extent that such amounts have been paid out of any premiums received from each relevant replacement Swap Providers)) pursuant to the terms of each relevant Covered Bond Swap Agreement;
- (i) *next*, in or towards a credit to the Reserve Ledger of an amount up to but not exceeding the amount by which the Reserve Fund Required Amount (if applicable) exceeds the existing balance on the Reserve Ledger as calculated as of the immediately preceding Collection Calculation Date;
- (j) *next*, if the Issuer is in breach of the Pre-Maturity Test in respect of any Series of Hard Bullet Covered Bonds, towards a credit to the Pre-Maturity Liquidity Ledger of an amount up to but not exceeding the difference between:
- (i) the Required Redemption Amount as calculated as of the immediately preceding Calculation Date for all Series of Hard Bullet Covered Bonds which mature within 12 months of that Collection Calculation Date; and
 - (ii) all amounts standing to the credit of the Pre-Maturity Liquidity Ledger as of the immediately preceding Collection Calculation Date,
- taking into account amounts to be applied to the Pre-Maturity Liquidity Ledger in accordance with the Establishment Deed on that CBG Payment Date;
- (k) *next*, in or towards crediting the CBG Retained Amount Ledger of the Covered Bond Guarantor in an amount equal to the CBG Retained Amount;
- (l) *next*, in or towards payment *pro rata* and *pari passu* of any amounts due and payable or to become due and payable in the immediately succeeding CBG Payment Period (excluding principal amounts) in respect of each relevant Advance under the Guarantee Loan to the Issuer pursuant to the terms of the Intercompany Loan Agreement;
- (m) *next*, if a Servicer Termination Event has occurred, all remaining Available Revenue Receipts to be credited to the Revenue Ledger until such Servicer Termination Event is either remedied by the Servicer or waived by the Security Trustee or a new servicer is appointed to service the Portfolio (or the relevant part thereof);
- (n) *next*, in or towards payment *pro rata* and *pari passu* in accordance with the respective amounts thereof of any Excluded Swap Termination Amounts due and payable by the Covered Bond Guarantor under the Covered Bond Swap Agreements and the Interest Rate Swap Agreements, except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers;
- (o) *next*, in or towards payment of all amounts then due and payable or to become due and payable (excluding principal amounts) in the CBG Payment Period commencing on that CBG Payment

Date in respect of the Subordinated Advances pursuant to the terms of the Subordinated Loan Agreement;

- (p) *next*, if the Cash Manager or the Subordinated Loan Provider so elects, in or towards repayment of the Subordinated Loan; and
- (q) *next*, in or towards payment to the Seller of: (i) the then Deferred Consideration Amount due to the Seller (in respect of Non-CPF Loans); and (ii) the then Deferred Contribution Consideration Amount due to the Seller (in respect of CPF Loans).

All amounts, other than Swap Collateral Excluded Amounts, received by the Covered Bond Guarantor under an Interest Rate Swap Agreement on or after the CBG Payment Date but prior to the next following CBG Payment Date will be applied in the following order of priority:

- (i) *first*, if due to the late receipt of payment by the Covered Bond Guarantor any amounts were not able to be paid or provided for as described in the Pre-Acceleration Revenue Priority of Payments on the relevant CBG Payment Date, promptly to pay or provide for those amounts in the order of priority specified in the Pre-Acceleration Revenue Priority of Payments; and
- (ii) *next*, as a credit to the Revenue Ledger and applied as Available Revenue Receipts on the next succeeding CBG Payment Date.

If any Swap Collateral Available Amounts are received by the Covered Bond Guarantor on a CBG Payment Date, such amounts shall be applied by the Covered Bond Guarantor (or by the Cash Manager on its behalf) on that CBG Payment Date in the same manner as it would have applied the receipts which such Swap Collateral Available Amounts replace.

If any amount of interest in respect of a Series of Covered Bonds is due but unpaid by the Issuer on a CBG Payment Date, the amount of Available Revenue Receipts that would otherwise be distributed in accordance with paragraphs (l), (o), (p) and (q) above shall be set aside and retained in the Transaction Account by the Cash Manager on behalf of the Covered Bond Guarantor and shall be credited by the Cash Manager to the Accrued Payments Ledger. If:

- (a) at any time prior to a Notice to Pay being served on the Covered Bond Guarantor, the Issuer pays the unpaid amounts of interest in respect of the relevant Series of Covered Bonds (and no amount of interest in respect of any other Series of Covered Bonds is then due but unpaid by the Issuer), the Cash Manager on behalf of the Covered Bond Guarantor shall promptly thereafter apply the Available Revenue Receipts previously set aside in accordance with the above paragraph towards payment of the relevant amounts under paragraph (l), (o), (p) or (q) above (as applicable) in respect of which such amounts were set aside; or
- (b) a Notice to Pay is served on the Covered Bond Guarantor, all Available Revenue Receipts previously set aside in accordance with this paragraph (which have not otherwise been previously paid under paragraph (a) above) shall be transferred from the Accrued Payments Ledger to the Payment Ledger on the Transaction Account in accordance with the Establishment Deed.

Allocation and Distribution of Available Principal Receipts prior to service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice, a Notice to Pay or a Covered Bond Guarantor Acceleration Notice or following revocation of an Asset Coverage Test Breach Notice

Prior to the service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice which has not been revoked, a Notice to Pay or a Covered Bond Guarantor Acceleration Notice or following the revocation of an Asset Coverage Test Breach Notice, Available Principal Receipts shall be applied as described below.

On each CBG Payment Date prior to the service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice which has not been revoked, a Notice to Pay or a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor or following the revocation of an Asset Coverage Test Breach Notice, the Cash Manager on behalf of the Covered Bond Guarantor will apply all Available Principal Receipts then standing to the credit of the Payment Ledger on the Transaction Account in making the following payments or provisions or credits in the following order of priority (the "**Pre-Acceleration**

Principal Priority of Payments") (in each case, only if and to the extent that payments or provisions of a higher priority have been paid in full):

- (a) *first*, if the Issuer is in breach of the Pre-Maturity Test in respect of any Series of Hard Bullet Covered Bonds, in or towards a credit to the Pre-Maturity Liquidity Ledger of an amount up to but not exceeding the difference (if positive) between:
 - (i) the Required Redemption Amount calculated as of the immediately preceding Calculation Date for all Series of Hard Bullet Covered Bonds which mature within 12 months of that Calculation Date; and
 - (ii) all amounts standing to the credit of the Pre-Maturity Liquidity Ledger as of the immediately preceding Calculation Date;
- (b) *next*, in or towards repayment of the principal amount (to the extent repayable in cash) of the Demand Loan;
- (c) *next*, in or towards the acquisition of New Loans and their Related Security offered to the Covered Bond Guarantor or, as the case may be, the Assets Trustee (on behalf of the CBG Beneficiary) by the Seller in accordance with the terms of the Mortgage Sale Agreement (and, in the case of CPF Loans and their Related Security, becoming Trust Assets and the CBG Beneficiary being required to make an Additional Contribution pursuant to the terms of the Declaration of Assets Trust), or to provide for such acquisition or Additional Contribution in the CBG Payment Period commencing on that CBG Payment Date;
- (d) *next*, as a credit to the Principal Ledger in an amount sufficient to ensure that, taking into account the other resources available to the Covered Bond Guarantor, the Covered Bond Guarantor is in compliance with the Asset Coverage Test (which amounts may be invested by the Covered Bond Guarantor in Authorised Investments and/or Substitution Assets, subject to the terms of the Establishment Deed and the Cash Management Agreement) and, if the Cash Manager so elects, towards acquisition of additional Authorised Investments and/or Substitution Assets in accordance with the Establishment Deed;
- (e) *next*, in or towards repayment of the principal amount of the Guarantee Loan;
- (f) *next*, in or towards repayment of the principal amount of the Subordinated Loan; and
- (g) *next*, as a credit to the Principal Ledger.

If any amount of interest in respect of a Series of Covered Bonds is due but unpaid by the Issuer on a CBG Payment Date, the amount of Available Principal Receipts that would otherwise be distributed in accordance with paragraphs (e) and (f) above shall be set aside and retained in the Transaction Account by the Cash Manager on behalf of the Covered Bond Guarantor and shall be credited by the Cash Manager to the Accrued Payments Ledger. If:

- (a) at any time prior to a Notice to Pay being served on the Covered Bond Guarantor, the Issuer pays the unpaid amounts of interest in respect of the relevant Series of Covered Bonds (and no amount of interest in respect of any other Series of Covered Bonds is then due but unpaid by the Issuer), the Cash Manager on behalf of the Covered Bond Guarantor shall promptly thereafter apply the Available Principal Receipts previously set aside in accordance with the above paragraph towards payment of the relevant amounts under paragraph (e) or (f) above (as applicable) in respect of which such amounts were set aside; or
- (b) a Notice to Pay is served on the Covered Bond Guarantor, all Available Principal Receipts previously set aside in accordance with this paragraph (b) (which have not otherwise been previously paid under paragraph (a) above) shall be transferred from the Accrued Payments Ledger to the Payment Ledger on the Transaction Account in accordance with the Establishment Deed.

Allocation and Distribution of Available Revenue Receipts and Available Principal Receipts following service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice (which has not been revoked)

At any time after the service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice (which has not been revoked) but prior to the service on the Covered Bond Guarantor of a Notice to Pay or a Covered Bond Guarantor Acceleration Notice, and for so long as any Covered Bonds remain outstanding, the Cash Manager on behalf of the Covered Bond Guarantor will apply:

- (a) Available Revenue Receipts in accordance with Pre-Acceleration Revenue Priority of Payments, save that no funds will be applied under paragraph (a), (l), (o), (p) or (q) of the Pre-Acceleration Revenue Priority of Payments, and any remaining amounts shall be credited to the Revenue Ledger; and
- (b) Available Principal Receipts in accordance with Pre-Acceleration Principal Priority of Payments save that no funds will be applied under paragraph (b), (e) or (f) of the Pre-Acceleration Principal Priority of Payments.

Allocation and Distribution of Monies following service of a Notice to Pay

On and from the service of a Notice to Pay on the Covered Bond Guarantor, but prior to service on the Covered Bond Guarantor of a Covered Bond Guarantor Acceleration Notice, all Available Revenue Receipts and Available Principal Receipts standing to the credit of the CBG Accounts will be applied as described below.

On each CBG Payment Date following the service of a Notice to Pay, the Cash Manager on behalf of the Covered Bond Guarantor will transfer Available Revenue Receipts and Available Principal Receipts from the Revenue Ledger, the Principal Ledger, the Accrued Payments Ledger and the Reserve Ledger, as the case may be, to the Payment Ledger on the Transaction Account, in an amount equal to the amount of all Available Revenue Receipts and all Available Principal Receipts standing to the credit of such ledgers on the Transaction Account.

If a Notice to Pay is served on the Covered Bond Guarantor, the Covered Bond Guarantor shall, on the relevant Maturity Date, apply (to the extent required) all moneys standing to the credit of the Pre-Maturity Liquidity Ledger (and transferred to the Transaction Account in accordance with the provisions of the Establishment Deed) to repay the Series of Hard Bullet Covered Bonds in respect of which the Pre-Maturity Liquidity Ledger was established that is then due for payment. Thereafter, any remaining monies standing to the credit of the Pre-Maturity Liquidity Ledger shall be debited from the Pre-Maturity Liquidity Ledger and shall be available for distribution in accordance with the Guarantee Priority of Payment as described below, **provided that** the Pre-Maturity Liquidity Ledger is not required to be maintained in respect of any other Series of Hard Bullet Covered Bonds on such date.

The Cash Manager shall create and maintain ledgers for each Series of Covered Bonds and record amounts allocated to such Series of Covered Bonds in accordance with paragraph (h), (i), (j) or (k) of the "Guarantee Priority of Payments", and such amounts, once allocated, will only be available to pay amounts due under the Covered Bond Guarantee and amounts due under the Covered Bond Swap(s) in respect of the relevant Series of Covered Bonds on the Scheduled Payment Dates therefor.

On each CBG Payment Date on and from the date that a Notice to Pay is served on the Covered Bond Guarantor, but prior to service on the Covered Bond Guarantor of a Covered Bond Guarantor Acceleration Notice, the Cash Manager on behalf of the Covered Bond Guarantor will apply all Available Revenue Receipts and all Available Principal Receipts then standing to the credit of the Payment Ledger on the Transaction Account in accordance with the above to pay or provide for the following obligations of the Covered Bond Guarantor in the following order of priority (except for amounts under paragraph (e)(ii) below which shall be paid when due) (the "**Guarantee Priority of Payments**") (in each case, only if and to the extent that payments or provisions of a higher priority have been paid in full):

- (a) *first*, in or towards payment *pro rata* and *pari passu* of all amounts of interest then due and payable in respect of the Demand Loan pursuant to the terms of the Intercompany Loan Agreement;
- (b) *next*, in or towards payment of any liability of the Covered Bond Guarantor for Taxes;

- (c) *next*, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) the Bond Trustee's fees and any Costs then due and payable or to become due and payable to the Bond Trustee under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
 - (ii) the Security Trustee's fees and any Costs then due and payable or to become due and payable to the Security Trustee under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
 - (iii) the Agents' fees and any Costs then due and payable or to become due and payable to the Agents by the Covered Bond Guarantor under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
 - (iv) the Corporate Services Provider's fees and any Costs then due and payable or to become due and payable to the Corporate Services Provider under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
 - (v) the Assets Trustee's fees and any Costs then due and payable or to become due and payable to the Assets Trustee under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date; and
 - (vi) the Replacement Assets Trustee's fees and any Costs then due and payable or to become due and payable to the Replacement Assets Trustee under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date;
- (d) *next*, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof, of the Servicer's fees and any Costs then due and payable or to become due and payable to the Servicer under the provisions of the Servicing Agreement in the CBG Payment Period commencing on that CBG Payment Date;
- (e) *next*, in or towards payment *pro rata* and *pari passu* of:
 - (i) any fees and Costs then due and payable or to become due and payable in connection with the seeking of any Requisite CPF Loan Legal Title Transfer Approval under the Transaction Documents in the CBG Payment Period commencing on that CBG Payment Date; and
 - (ii) any fees and Costs then due and payable to any person (other than a party to a Transaction Document) and incurred without breach by the Covered Bond Guarantor of the Transaction Documents to which it is a party (and for which payment has not been provided for elsewhere in this Guarantee Priority of Payments) and any such amounts expected to become due and payable by the Covered Bond Guarantor in the CBG Payment Period commencing on that CBG Payment Date;
- (f) *next*, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) the Cash Manager's fees and any costs, charges, liabilities and expenses then due and payable or to become due and payable to the Cash Manager under the provisions of the Cash Management Agreement in the CBG Payment Period commencing on that CBG Payment Date;
 - (ii) amounts (if any) then due and payable to the Account Bank (including any costs, charges, liabilities and expenses) pursuant to the terms of the Bank Account Agreement; and
 - (iii) amounts then due and payable to the Asset Monitor pursuant to the terms of the Asset Monitor Agreement;
- (g) *next*, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of all amounts then due and payable to the relevant Interest Rate Swap Provider (including any

termination payment due and payable or to become due and payable by the Covered Bond Guarantor under the relevant Interest Rate Swap Agreement, but excluding any Excluded Swap Termination Amount (except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers)) pursuant to the terms of the relevant Interest Rate Swap Agreement;

- (h) *next*, in or towards payment, *pro rata* and *pari passu* according to the respective amounts thereof (and without double counting), of:
 - (i) the amounts then due and payable or to become due and payable in the CBG Payment Period commencing on that CBG Payment Date to the Covered Bond Swap Provider (other than in respect of principal) *pro rata* and *pari passu* in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the Covered Bond Guarantor under the Covered Bond Swap Agreement, but excluding any Excluded Swap Termination Amount (except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers)) pursuant to the terms of the Covered Bond Swap Agreement; and
 - (ii) (where appropriate, after taking into account all amounts received or receivable from the Covered Bond Swap Provider (other than in respect of principal) and available to make payments in respect thereof) Scheduled Interest that is Due for Payment (or that will become Due for Payment in the CBG Payment Period commencing on that CBG Payment Date) under the Covered Bond Guarantee in respect of each Series of Covered Bonds to the Bond Trustee or (if so directed by the Bond Trustee) the Issuing and Paying Agent on behalf of the Covered Bondholders *pro rata* and *pari passu* in respect of each Series of Covered Bonds,

provided that, if the amount available for distribution under this paragraph (h) (excluding all amounts received or to be received from the Covered Bond Swap Provider) would be insufficient to pay the SGD Equivalent of the Scheduled Interest that is or will be Due for Payment in respect of each Series of Covered Bonds under paragraph (h)(ii) above, the shortfall shall be divided amongst all such Series of Covered Bonds on a *pro rata* basis and the amount payable by the Covered Bond Guarantor to the Covered Bond Swap Provider under the Covered Bond Swap Agreement in respect of each relevant Series of Covered Bonds or provision to be made in respect thereof under paragraph (h)(i) above shall be reduced by the amount of the shortfall applicable to the Covered Bonds in respect of which such payment is to be made;

- (i) *next*, in or towards payment, *pro rata* and *pari passu* according to the respective amounts thereof and after allowing for any payments made or to be made in respect of any Series of Covered Bonds pursuant to the terms of the Establishment Deed, of:
 - (i) the amounts (in respect of principal) then due and payable or to become due and payable in the CBG Payment Period commencing on that CBG Payment Date to the Covered Bond Swap Provider *pro rata* and *pari passu* in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the Covered Bond Guarantor under the Covered Bond Swap Agreement, but excluding any Excluded Swap Termination Amount (except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers)) in accordance with the terms of the Covered Bond Swap Agreement; and
 - (ii) (where appropriate, after taking into account all amounts in respect of principal received or receivable from the Covered Bond Swap Provider and available to make payments in respect thereof) Scheduled Principal that is Due for Payment (or that will become Due for Payment in the CBG Payment Period commencing on that CBG Payment Date) under the Covered Bond Guarantee in respect of each Series of Covered Bonds to the Bond Trustee or (if so directed by the Bond Trustee) the Issuing and Paying Agent on behalf of the Covered Bondholders *pro rata* and *pari passu* in respect of each Series of Covered Bonds,

provided that, if the amount available for distribution under this paragraph (i) (excluding all amounts received or to be received from the Covered Bond Swap Provider) would be insufficient to pay the SGD Equivalent of the Scheduled Principal that is or will be Due for Payment in respect of each Series of Covered Bonds under paragraph (i)(ii) above, the shortfall shall be divided amongst all such Series of Covered Bonds

on a *pro rata* basis and the amount payable by the Covered Bond Guarantor to the Covered Bond Swap Provider under the Covered Bond Swap Agreement in respect of each relevant Series of Covered Bonds or provision to be made in respect thereof under paragraph (i)(i) above shall be reduced by the amount of the shortfall applicable to the Covered Bonds in respect of which such payment is to be made;

- (j) *next*, in or towards payment on the CBG Payment Date (if such date is an Interest Payment Date) or to provide for payment on any Interest Payment Date prior to the next following CBG Payment Date of the Final Redemption Amount (or portion thereof remaining unpaid) of any Series of Covered Bonds to which: (x) an Extended Due for Payment Date applies; and (y) whose Final Redemption Amount was not paid in full by the Extension Determination Date; and (z) for the avoidance of doubt, to which paragraph (i) above does not apply, by making the following payments:
 - (i) the amounts then due and payable or to become due and payable in the CBG Payment Period commencing on that CBG Payment Date to the Covered Bond Swap Provider (whether or not in respect of principal) *pro rata* and *pari passu* in respect of each relevant Covered Bond Swap (including any termination payment due and payable by the Covered Bond Guarantor under the Covered Bond Swap Agreement, but excluding any Excluded Swap Termination Amount (except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers)) in accordance with the terms of the Covered Bond Swap Agreement; and
 - (ii) the Final Redemption Amount or the relevant proportion thereof *pro rata* and *pari passu* under the Covered Bond Guarantee in respect of each relevant Series of Covered Bonds to the Bond Trustee or (if so directed by the Bond Trustee) the Issuing and Paying Agent on behalf of the Covered Bondholders,

provided that, if the amount available for distribution under this paragraph (j) (excluding all amounts received or to be received from the Covered Bond Swap Provider) would be insufficient to pay the SGD Equivalent of the Final Redemption Amount in respect of the relevant Series of Covered Bonds under paragraph (j) (ii) above, the shortfall shall be divided amongst all such Series of Covered Bonds on a *pro rata* basis and the amount payable by the Covered Bond Guarantor to the Covered Bond Swap Provider under the Covered Bond Swap Agreement in respect of each Series of Covered Bonds under paragraph (j)(i) above shall be reduced by the amount of the shortfall applicable to the Covered Bonds in respect of which such payment is to be made;

- (k) *next*, to deposit the remaining funds in the Transaction Account for application on the next following CBG Payment Date in accordance with the Guarantee Priority of Payments described in paragraphs (a) to (j) above (inclusive), until the Covered Bonds have been fully repaid or repayment in full of the Covered Bonds has been provided for (such that the Required Redemption Amount has been accumulated in respect of each outstanding Series of Covered Bonds);
- (l) *next*, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of any Excluded Swap Termination Amounts then due and payable by the Covered Bond Guarantor under the Covered Bond Swap Agreements and the Interest Rate Swap Agreements, except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers;
- (m) *next*, in or towards crediting the CBG Retained Amount Ledger of the Covered Bond Guarantor in an amount equal to the CBG Retained Amount;
- (n) *next*, in or towards payment of all amounts (other than principal) then due and payable or to become due and payable in the CBG Payment Period commencing on that CBG Payment Date under the Intercompany Loan Agreement;
- (o) *next*, in or towards repayment of the outstanding principal balance of the Intercompany Loan;
- (p) *next*, in or towards payment of all amounts (other than principal) then due and payable or to become due and payable in the CBG Payment Period commencing on that CBG Payment Date under the Subordinated Loan Agreement;
- (q) *next*, in or towards repayment of the outstanding principal balance of the Subordinated Loan;

- (r) *next*, in or towards payment of or provision for any current or future obligation of the Covered Bond Guarantor, as determined by the Cash Manager; and
- (s) *next*, in or towards payment to the Seller of: (i) the then Deferred Consideration Amount due to the Seller (in respect of Non-CPF Loans); and (ii) the then Deferred Contribution Consideration Amount due to the Seller (in respect of CPF Loans).

Any late amounts, other than Swap Collateral Excluded Amounts, received by the Covered Bond Guarantor under an Interest Rate Swap Agreement on or after the CBG Payment Date but prior to the next following CBG Payment Date will be applied by the Covered Bond Guarantor to the extent that any amounts were not able to be paid or provided for under the Guarantee Priority of Payments on the relevant CBG Payment Date due to the Covered Bond Guarantor receiving a late payment from the relevant Interest Rate Swap Provider, promptly to pay or provide for those amounts in the order of priority specified in the Guarantee Priority of Payments.

Any late amounts, other than Swap Collateral Excluded Amounts, received by the Covered Bond Guarantor under any Covered Bond Swap on or after the CBG Payment Date but prior to the next following CBG Payment Date will be applied by the Covered Bond Guarantor, promptly to make the corresponding payment or provision in respect of the relevant Series of Covered Bonds in accordance with, as applicable, paragraphs (h), (i) and/or (j) of the Guarantee Priority of Payments.

If the Covered Bond Guarantor requires any available funds to be exchanged into a currency other than Singapore dollars, and such exchange would not be subject to or covered by the terms of a Covered Bond Swap Agreement, then the Covered Bond Guarantor (or the Cash Manager on its behalf) shall perform all necessary currency conversions at the then prevailing spot rate of exchange.

If any Swap Collateral Available Amounts are received by the Covered Bond Guarantor on a CBG Payment Date, such amounts shall be applied by the Covered Bond Guarantor (or by the Cash Manager on its behalf) on that CBG Payment Date in the same manner as it would have applied the receipts which such Swap Collateral Available Amounts replace.

If a Notice to Pay is served on the Covered Bond Guarantor and, prior to the first CBG Payment Date thereafter, any Scheduled Interest and/or Scheduled Principal is Due for Payment under the Covered Bond Guarantee, then the Covered Bond Guarantor (or the Cash Manager on its behalf) shall, out of Available Revenue Receipts and Available Principal Receipts then standing to the credit of the Revenue Ledger, the Principal Ledger, the Accrued Payments Ledger and the Reserve Ledger on the Transaction Account, pay such Scheduled Interest and/or Scheduled Principal, together with any amounts, other than Swap Collateral Excluded Amounts, then due and payable under the relevant Covered Bond Swap, in accordance with paragraphs (h) and (i) of the Guarantee Priority of Payments, as applicable, as if the relevant date was a CBG Payment Date and after providing for such portion (if any) of the payments and provisions to be made under paragraphs (a) to (g) of the Guarantee Priority of Payments on the first CBG Payment Date following service of the Notice to Pay on the Covered Bond Guarantor as the Covered Bond Guarantor (or the Cash Manager on its behalf) shall determine in its sole discretion.

Termination payments and tax credits received in respect of Swaps, premiums received in respect of replacement Swaps

- (a) If at any time the Covered Bond Guarantor receives any termination payment from a Swap Provider in respect of a Swap, such termination payment will first be used (to the extent necessary) (prior to the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantor Acceleration Notice and/or the commencement of winding-up proceedings against the Covered Bond Guarantor and/or the realisation of the Security) to pay a replacement Swap Provider to enter into a replacement Swap with the Covered Bond Guarantor, unless a replacement Swap has already been entered into on behalf of the Covered Bond Guarantor.
- (b) If at any time the Covered Bond Guarantor receives any premium from a replacement Swap Provider in respect of a replacement Swap, such premium will first be used to make any termination payment due and payable by the Covered Bond Guarantor with respect to the previous Swap (including any Excluded Swap Termination Amount), unless such termination payment has already been made on behalf of the Covered Bond Guarantor.

- (c) If at any time the Covered Bond Guarantor receives or obtains any Tax Credits in respect of a Swap, the cash benefit relating to such Tax Credits (as determined in accordance with the relevant Swap Agreement) shall be paid by the Covered Bond Guarantor to the relevant Swap Provider as soon as practicable after receipt of the same from the relevant taxing authority in accordance with the terms of the relevant Swap Agreement and shall not be applied in accordance with the relevant Priorities of Payment.
- (d) Any amount of termination payments received by the Covered Bond Guarantor which are not applied to pay a premium to a replacement Swap Provider(s) to enter into a replacement Swap Agreement(s) will be credited to the Revenue Ledger and applied as Available Revenue Receipts on the next succeeding CBG Payment Date.
- (e) Any amount of premium received by the Covered Bond Guarantor from a replacement Swap Provider(s) to enter into a replacement Swap Agreement(s) which are not applied to pay a termination payment to the replaced Swap Provider(s) will be credited to the Revenue Ledger and applied as Available Revenue Receipts on the next succeeding CBG Payment Date.

Payment of funds following service of Covered Bond Guarantor Acceleration Notice

Following the occurrence of a Covered Bond Guarantor Event of Default and service by the Bond Trustee on the Covered Bond Guarantor of a Covered Bond Guarantor Acceleration Notice, the Security shall become enforceable. All monies received or recovered by the Security Trustee or any receiver (other than any amounts standing to the credit of the CBG Retained Amount Ledger, any Tax Credits, Third Party Amounts, All Monies Trust Property which the Seller is entitled to, Swap Collateral Excluded Amounts, Demand Loan Repayment Assets (including certain principal amounts in respect of the Demand Loan Repayment Assets), Top-up Receipts, proceeds from the sale of an interest in Top-up Loans, certain other amounts received in respect of the Loans and payable to parties other than the Covered Bond Guarantor and certain other amounts payable to third parties, premium received by the Covered Bond Guarantor from a replacement Swap Provider to the extent it is used to make a termination payment due and payable by the Covered Bond Guarantor with respect to the Swap being replaced (including any Excluded Swap Termination Amount) and termination payment received from a Swap Provider which is applied to acquire a replacement for the relevant terminated Swap) will be applied, following enforcement of the Security, in accordance with the Post-Enforcement Priority of Payments (as described below).

Post-Enforcement Priority of Payments

From and including the time when the Bond Trustee serves a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor, no amount may be withdrawn from the CBG Accounts (other than the CBG Trust Account but only to the extent of the Seller Share and any amount required to be returned to the relevant Mortgagor pursuant to the terms of the CBG Declaration of Trusts) without the prior written consent of the Security Trustee.

On and from the occurrence of a Covered Bond Guarantor Event of Default and delivery of a Covered Bond Guarantor Acceleration Notice by the Bond Trustee to the Security Trustee (or, if there are no Covered Bonds outstanding, following the occurrence of a default in the payment or discharge of any of the other Secured Obligations on its due date (subject to any applicable grace period)), the Security Trustee must distribute any net amount that it receives or recovers in respect of the Security (other than any amounts standing to the credit of the CBG Retained Amount Ledger, any Tax Credits, Third Party Amounts, All Monies Trust Property which the Seller is entitled to, Swap Collateral Excluded Amounts, Demand Loan Repayment Assets (including certain principal amounts in respect of the Demand Loan Repayment Assets), Top-up Receipts, proceeds from the sale of an interest in Top-up Loans, certain other amounts received in respect of the Loans and payable to parties other than the Covered Bond Guarantor and certain other amounts payable to third parties, premium received by the Covered Bond Guarantor from a replacement Swap Provider to the extent it is used to make a termination payment due and payable by the Covered Bond Guarantor with respect to the Swap being replaced (including any Excluded Swap Termination Amount) and termination payment received from a Swap Provider which is applied to acquire a replacement for the relevant terminated Swap) (in each case, to be applied in accordance with the Transaction Documents)) in the following order (the "**Post-Enforcement Priority of Payments**") (in each case, only if and to the extent that payments or provisions of a higher priority have been fully paid or otherwise provided for in full):

- (a) *first*, in or towards payment *pro rata* and *pari passu* of all amounts of interest due and payable in respect of the Demand Loan pursuant to the terms of the Intercompany Loan Agreement;
- (b) *next*, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) all amounts (including fees and Costs) due and payable or to become due and payable to the Bond Trustee (except amounts referred to in paragraph (f)(iii) below);
 - (ii) all amounts (including fees and Costs) due and payable or to become due and payable to the Security Trustee or any receiver acting under the Deeds of Charge;
 - (iii) all amounts (including fees and Costs) due and payable or to become due and payable to the Agents; and
 - (iv) all amounts (including fees and Costs) due and payable or to become due and payable to the Corporate Services Provider;
- (c) *next*, in or towards payment of any remuneration due and payable to the Servicer and any Costs due and payable or to become due and payable to the Servicer under the provisions of the Servicing Agreement;
- (d) *next*, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) any remuneration due and payable to the Cash Manager and any Costs due and payable or to become due and payable to the Cash Manager under the provisions of the Cash Management Agreement;
 - (ii) amounts (if any) due and payable to the Account Bank (including any Costs) pursuant to the terms of the Bank Account Agreement; and
 - (iii) amounts due and payable to the Asset Monitor pursuant to the terms of the Asset Monitor Agreement, together with any applicable Taxes thereon;
- (e) *next*, in or towards payment of all amounts due and payable or to become due and payable to each Interest Rate Swap Provider *pro rata* and *pari passu* in respect of each Interest Rate Swap Provider (including any termination payment due and payable or to become due and payable by the Covered Bond Guarantor under the relevant Interest Rate Swap Agreement, but excluding any Excluded Swap Termination Amount (except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers)) pursuant to the terms of the relevant Interest Rate Swap Agreement;
- (f) *next*, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of:
 - (i) all termination payments due and payable or to become due and payable to the Covered Bond Swap Provider *pro rata* and *pari passu* in respect of each Covered Bond Swap (excluding any Excluded Swap Termination Amount (except to the extent that such amounts have been paid out of any premiums received from the relevant replacement Swap Providers)) pursuant to the terms of the Covered Bond Swap Agreement;
 - (ii) (without double counting) all other amounts due and payable or to become due and payable to the Covered Bond Swap Provider (excluding any Excluded Swap Termination Amount) pursuant to the terms of the Covered Bond Swap Agreement; and
 - (iii) (where appropriate, after taking into account all amounts received or receivable from the Covered Bond Swap Provider and available to make payments in respect thereof) all Guaranteed Amounts that are Due for Payment under the Covered Bond Guarantee in respect of each Series of Covered Bonds to the Bond Trustee or (if so directed by the Bond Trustee) the Issuing and Paying Agent on behalf of the Covered Bondholders *pro rata* and *pari passu* in respect of each Series of Covered Bonds, **provided that** if the amount

available for distribution under this paragraph (f)(iii) (excluding all amounts received or to be received from the Covered Bond Swap Provider) would be insufficient to pay the SGD Equivalent of the Guaranteed Amounts that are Due for Payment in respect of each Series of Covered Bonds under this paragraph (f)(iii), then the shortfall shall be divided amongst all such Series of Covered Bonds on a *pro rata* basis;

- (g) *next*, in or towards payment *pro rata* and *pari passu* according to the respective amounts thereof of any Excluded Swap Termination Amounts then due and payable by the Covered Bond Guarantor under the Covered Bond Swap Agreement and the Interest Rate Swap Agreements, except to the extent that such amounts have been paid out of any premium received from the relevant replacement Swap Providers;
- (h) *next*, in or towards crediting the CBG Retained Amount Ledger of the Covered Bond Guarantor in an amount equal to the CBG Retained Amount;
- (i) *next*, in or towards payment of all amounts due and payable under the Intercompany Loan Agreement;
- (j) *next*, in or towards payment of all amounts then due and payable under the Subordinated Loan Agreement; and
- (k) *next*, in or towards payment to the Seller of: (i) the then Deferred Consideration Amount due to the Seller (in respect of Non-CPF Loans); and (ii) the then Deferred Contribution Consideration Amount due to the Seller (in respect of CPF Loans).

For the avoidance of doubt, items described in paragraphs (g) to (k) inclusive above shall be paid only after all Guaranteed Amounts have been fully repaid or otherwise provided for.

Notwithstanding any other provision of a Transaction Document, the Security Trustee may only apply amounts in accordance with the Post-Enforcement Priority of Payments on and after the first CBG Payment Date following the earlier of:

- (a) 30 days following the service of a Covered Bond Guarantor Acceleration Notice on the Covered Bond Guarantor; and
- (b) the date the Asset Percentage is fixed following the service of a Covered Bond Guarantor Acceleration Notice in accordance with the Intercompany Loan Agreement.

Any Tax Credits, Third Party Amounts, All Monies Trust Property to which the Seller is entitled, Swap Collateral Excluded Amounts, Demand Loan Repayment Assets (including certain principal amounts in respect of the Demand Loan Repayment Assets), Top-up Receipts, proceeds received from the sale of an interest in Top-up Loans, certain other amounts received in respect of the Loans and payable to parties other than the Covered Bond Guarantor or the CBG Beneficiary (or the Assets Trustee on the CBG Beneficiary's behalf) and certain other amounts payable to third parties will be applied in accordance with the terms of the relevant Transaction Documents and shall not be applied in accordance with the Post-Enforcement Priority of Payments.

Top-up Receipts and proceeds received from the sale of Top-up Loans

Top-up Receipts or proceeds from the sale of an interest in Top-up Loans received by the Covered Bond Guarantor will be used to repay Deemed Ancillary Intercompany Loan Advances in accordance with the terms of the Ancillary Intercompany Loan Agreement outside the Priorities of Payments.

TAXATION

The following summary of certain United States and Singapore income tax consequences of the purchase, ownership and disposition of the Covered Bonds is based on laws, regulations, rulings and decisions now in effect, all of which are subject to change (possibly with retroactive effect). The summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Covered Bonds and does not purport to deal with the consequences applicable to all categories of investors, some of which may be subject to special rules. Persons considering the purchase of the Covered Bonds should consult their own tax advisers concerning the application of United States and Singapore income tax laws to their particular situations as well as any consequences of the purchase, ownership and disposition of the Covered Bonds arising under the laws of any other taxing jurisdiction.

U.S. Taxation

The following summary is a general discussion of certain U.S. federal income tax considerations for prospective purchasers of the Covered Bonds. This discussion only addresses U.S. Holders (as defined below) which are initial purchasers of the Covered Bonds at their initial issue price, hold such Covered Bonds as capital assets (generally, property held for investment) and use the U.S. dollar as their functional currency. This discussion does not address the tax treatment of prospective purchasers subject to special rules, such as financial institutions, insurance companies, tax-exempt entities, dealers in securities or foreign currencies, traders in securities that elect to mark to market, prospective purchasers liable for the alternative minimum tax, individual retirement accounts and other tax-deferred accounts, regulated investment companies, real estate investment trusts, persons holding the Covered Bonds as part of a hedge, straddle, conversion, or other integrated financial transaction, or persons required for U.S. federal income tax purposes to accelerate the recognition of any item of gross income with respect to the Covered Bonds as a result of such income being recognised on an applicable financial statement. This discussion does not address the Covered Bonds in bearer form, which generally may not be offered or sold in the United States or to U.S. persons. Moreover, this discussion does not address the Covered Bonds that are due to mature more than 30 years from the date on which they are issued or certain "variable rate debt instruments" (under applicable U.S. Treasury regulations). This discussion does not address U.S. federal estate and gift, U.S. state and local or non-U.S. tax laws or the Medicare contribution tax on net investment income.

The following summary is based on the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), the U.S. Treasury Regulations thereunder, published rulings of the U.S. Internal Revenue Service (the "**IRS**") and judicial and administrative interpretations thereof, in each case as in effect and available on the date of this document. Changes to any of the foregoing, or changes in how any of these authorities are interpreted, may affect the tax consequences set out below, possibly retroactively. No ruling will be sought from the IRS with respect to any statement or conclusion in this discussion, and no assurances can be given that the IRS will not challenge such statement or conclusion in the following discussion or, if challenged, a court will uphold such statement or conclusion.

For purposes of this discussion, a "**U.S. Holder**" is a beneficial owner of a Covered Bond that is for U.S. federal income tax purposes (i) a citizen or individual resident of the United States, (ii) a corporation organised in or under the laws of the United States, any state thereof or the District of Columbia or (iii) an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

The U.S. federal income tax treatment of a partner in an entity or arrangement that is classified as a partnership for U.S. federal income tax purposes and that invests in the Covered Bonds will depend on the status of the partner and the activities of the partnership. Partnerships considering an investment in the Covered Bonds are urged to consult their own tax advisers regarding the specific tax consequences of purchasing, owning and disposing of the Covered Bonds.

Characterisation of the Covered Bonds

The Issuer expects that the Covered Bonds generally should be characterised as debt for U.S. federal income tax purposes. The tax characterisation of any Series and/or Tranche of Covered Bonds will depend, however, on their terms and it is possible that certain Covered Bonds may not be characterised as debt for U.S. federal income tax purposes. While this discussion is generally limited to the Covered Bonds that are debt for U.S. federal income tax purposes, U.S. Holders should consult their own tax advisers as to the proper tax characterisation of the Covered Bonds.

Payments of Interest

General

Interest (including any additional amounts paid in respect of non-U.S. taxes withheld and the amounts withheld, if any) paid on a Covered Bond will be taxable to a U.S. Holder as foreign source ordinary interest income at the time it accrues or is received in accordance with the U.S. Holder's method of accounting for U.S. federal income tax purposes, **provided that** the interest is "qualified stated interest" (as defined below under "*Original Issue Discount*"). If any non-U.S. tax is imposed on interest paid on a Covered Bond, a U.S. Holder, subject to certain limitations and conditions, may be entitled to claim a foreign tax credit for such tax. U.S. Holders who do not elect to claim a credit for any foreign income taxes paid or accrued during the taxable year may instead claim a deduction of such tax, but if the U.S. Holder elects to deduct rather than claim a tax credit, it generally must deduct rather than claim a tax credit for all otherwise creditable foreign income taxes paid or accrued for the relevant tax year. The rules regarding foreign tax credits are complex and recent changes to the foreign tax credit rules introduced additional requirements and limitations. However, recent U.S. Internal Revenue Service guidance provides temporary relief from some of these additional requirements and limitations, subject to certain requirements being met, until further notice is provided by the IRS. Prospective investors should consult their tax advisors about the application of such rules to them in their particular circumstances. Special rules governing the treatment of interest paid with respect to Covered Bonds issued with original issue discount, contingent payment debt instruments and Covered Bonds denominated in a specified currency other than the U.S. dollar are described below respectively under "*Original Issue Discount*", "*Contingent Covered Bonds*", and "*Foreign Currency Covered Bonds*".

Pre-Issuance Accrued Interest

If a portion of the price paid for a Covered Bond is allocable to interest that accrued prior to the date the Covered Bond is issued ("**pre-issuance accrued interest**"), the Issuer intends to take the position that, on the first interest payment date, a portion of the interest received in an amount equal to any pre-issuance accrued interest will be treated as a return of the pre-issuance accrued interest and not as a payment of interest on the Covered Bond. Amounts treated as a return of pre-issuance accrued interest should not be taxable when received. The remainder of this discussion does not address the treatment of pre-issuance accrued interest and assumes that in determining the issue price of a Covered Bond and the amount paid for a Covered Bond, there will be excluded an amount equal to the pre-issuance accrued interest. U.S. Holders should consult their tax advisers with regard to the tax treatment of the pre-issuance accrued interest on a Covered Bond.

Original Issue Discount

A Tranche or Series of the Covered Bond may be issued with original issue discount ("**OID**") for U.S. federal income tax purposes. A Covered Bond will be issued with OID to the extent that the Covered Bond's "stated redemption price at maturity" exceeds its "issue price" by more than a *de minimis* amount. A Covered Bond generally will not be considered to have OID if such excess is less than 1/4 of 1 per cent. of the Covered Bond's stated redemption price at maturity multiplied by the number of complete years to maturity from the issue date (or by the weighted average maturity of the Covered Bond for instalment obligations), as determined for the purposes of the OID rules.

The issue price of a Covered Bond is the initial offering price at which a substantial amount of the Covered Bonds are sold (excluding sales to underwriters, placement agents, brokers or similar persons acting in their capacity as such) for cash. The stated redemption price at maturity of a Covered Bond is the total of all payments on the Covered Bond other than payments of "qualified stated interest." Qualified stated interest means, in general, stated interest that is payable unconditionally in cash or in property at least annually at a single fixed rate or at certain floating rates that appropriately takes into account the length of the interval between stated interest payments.

A U.S. Holder of a Covered Bond issued with OID and having a maturity in excess of one year must include OID in income over the term of the Covered Bond. The U.S. Holder generally must include in gross income the sum of the daily portions of OID that accrue on the Covered Bond for each day during the taxable year in which such U.S. Holder holds the Covered Bond.

The amount of OID accruing during an accrual period is determined by using a constant yield to maturity method. For any accrual period, the OID allocable to the accrual period is the excess of (i) the product of the Covered Bond's adjusted issue price at the beginning of the accrual period and its yield to maturity (determined on the basis of compounding at the close of each accrual period and appropriately adjusted for the length of the accrual period) over (ii) the sum of any qualified stated interest payments allocable to the accrual period. A Covered Bond's adjusted issue price generally equals the issue price of the Covered Bond increased by (x) the aggregate amount of OID accrued on the Covered Bond in all prior accrual periods (determined without regard to the amortisation of any acquisition premium or bond premium, as discussed below) and reduced by (y) the amount of all payments previously received on the Covered Bond other than payments of qualified stated interest.

A U.S. Holder may elect to treat all interest on a Covered Bond as OID applying the constant-yield method described above to accrue such interest, with the modifications described below. For purposes of this election, interest includes stated interest, OID, *de minimis* OID, acquisition discount, market discount, *de minimis* market discount and unstated interest, as adjusted by any amortisable bond premium or acquisition premium. If a U.S. Holder makes this election, it will apply only to the Covered Bond with respect to which it is made and the U.S. Holder may not revoke it without the consent of the IRS. A U.S. Holder making this election with respect to a Covered Bond with bond premium will be deemed to have made the elections (discussed under "*Acquisition Premium and Bond Premium*" below) to amortise bond premium currently with respect to all debt instruments with bond premium held or acquired by such U.S. Holder as of the beginning of that taxable year.

The Issuer may have an unconditional option to redeem, or U.S. Holders may have an unconditional option to require the Issuer to redeem, a Covered Bond prior to its stated maturity date. Under applicable U.S. Treasury regulations, if the Issuer has an unconditional option to redeem a Covered Bond prior to its stated maturity date, this option generally will be presumed to be exercised if, by utilising any date on which the Covered Bond may be redeemed as the maturity date and the amount payable on that date in accordance with the terms of the Covered Bond as the stated redemption price at maturity, the yield on the Covered Bond would be lower than its yield to maturity. If the U.S. Holders have an unconditional option to require the Issuer to redeem a Covered Bond prior to its stated maturity date, this option generally will be presumed to be exercised if, making the same assumptions as those set forth in the previous sentence, the yield on the Covered Bond would be higher than its yield to maturity. If it was presumed that an option would be exercised but it is not in fact exercised, the Covered Bond would be treated solely for purposes of calculating OID as if it were redeemed, and a new Covered Bond were issued, on the presumed exercise date for an amount equal to the Covered Bond's adjusted issue price on that date.

Short-Term Covered Bonds

A U.S. Holder of a Covered Bond with a maturity of one year or less (a "**Short-Term Covered Bond**") will be subject to special rules.

The OID rules do not treat interest payments on a Short-Term Covered Bond as qualified stated interest, but instead treat a Short-Term Covered Bond as having OID determined by including any stated interest payments in a Short-Term Covered Bond's stated redemption price at maturity. Except as noted below, a cash-method U.S. Holder of a Short-Term Covered Bond generally will not be required to accrue OID currently, but will be required to treat any gain realised on a sale or other disposition of a Short-Term Covered Bond as ordinary income to the extent such gain or loss does not exceed the OID accrued with respect to the Short-Term Covered Bond during the period the U.S. Holder held it. U.S. Holders that account for income on an accrual method (and U.S. Holders that account for income on the cash method and that elect to do so) will include OID on a Short-Term Covered Bond in income on a current basis.

A U.S. Holder will accrue OID on a Short-Term Covered Bond on a straight-line method unless it elects a constant-yield method. If a U.S. Holder makes this election, it will apply only to the Short-Term Covered Bond with respect to which it is made and the U.S. Holder may not revoke it. Furthermore, unless a U.S. Holder includes OID into income on a current basis as described above, a U.S. Holder of a Short-Term Covered Bond having OID will be required to defer the deduction of all or a portion of the interest expense on any debt incurred or maintained to purchase or carry such Short-Term Covered Bond.

Market Discount

If a U.S. Holder purchases a Covered Bond (other than a Short-Term Covered Bond) for an amount that is less than its stated redemption price at maturity or, in the case of a Covered Bond issued with OID, its adjusted issue price, the amount of the difference will be treated as market discount for U.S. federal income tax purposes, unless this difference is less than a specified *de minimis* amount.

A U.S. Holder may elect to report accrued market discount as income annually over the term of the Covered Bond. If a U.S. Holder makes this election, it will apply to all debt instruments with market discount that the electing U.S. Holder holds or acquires as of the beginning of that taxable year. A U.S. Holder may not revoke this election without the consent of the IRS. If a U.S. Holder does not make the election, it will treat gain that it recognizes on the sale or other disposition of a Covered Bond as ordinary income to the extent of the market discount accrued while such U.S. Holder held the Covered Bond.

A U.S. Holder will accrue market discount on a Covered Bond on a straight-line method unless it elects a constant-yield method. If a U.S. Holder makes this election, it will apply only to the Covered Bond with respect to which it is made and the U.S. Holder may not revoke it.

Furthermore, unless a U.S. Holder elects to include market discount in income on a current basis as described above, a U.S. Holder of a Covered Bond having market discount may be required to defer the deduction of all or a portion of the interest expense on any debt incurred or maintained to purchase or carry such Covered Bond. Such interest is deductible when paid or incurred to the extent of income from the Covered Bond for the year. If the interest expense exceeds such income, such excess is currently deductible only to the extent that such excess exceeds the portion of the market discount allocable to the days during the taxable year on which such Covered Bond was held by the U.S. Holder.

Acquisition Premium and Bond Premium

A U.S. Holder who purchases a Covered Bond for an amount that is greater than the Covered Bond's adjusted issue price but less than or equal to sum of all amounts payable on the Covered Bond after the purchase date other than payments of qualified stated interest will be considered to have purchased the Covered Bond at an acquisition premium. Under the acquisition premium rules, the amount of OID that the U.S. Holder must include in its gross income with respect to the Covered Bond for any taxable year will be reduced by the portion of acquisition premium properly allocable to that year.

A U.S. Holder that has a tax basis in a Covered Bond that is greater than its principal amount may elect to treat the excess as amortisable bond premium. If a U.S. Holder makes this election, it will reduce the amount required to be included in income each year with respect to interest on the Covered Bond by the amount of amortisable bond premium allocable to that year. If a U.S. Holder makes an election to amortise bond premium, the election will apply to all the debt instruments with bond premium that the electing U.S. Holder holds or acquires as of the beginning of that taxable year. A U.S. Holder may not revoke this election without the consent of the IRS.

If a Covered Bond can be optionally redeemed after the U.S. Holder acquires it at a price in excess of its principal amount, special rules would apply that could result in a deferral of the amortisation of some bond premium until later in the term of the Covered Bond.

With respect to a U.S. Holder that does not elect to amortise bond premium, the amount of bond premium constitutes a capital loss when the Covered Bond matures.

Special rules apply to Covered Bonds issued with OID that are purchased at a premium.

Contingent Covered Bonds

If the terms of the Covered Bonds provide for certain contingencies that affect the timing and amount of payments that are neither remote nor incidental, they generally will be "contingent payment debt instruments" for U.S. federal income tax purposes ("**Contingent Covered Bonds**"). Special rules govern the tax treatment of Contingent Covered Bonds. These rules generally require a U.S. Holder to treat all interest as OID and to accrue OID at a rate equal to the comparable yield on a non-contingent fixed rate debt instrument of the Issuer with similar terms and conditions and a projected payment schedule that produces such comparable yield. The amount of OID will then be allocated on a rateable basis to each day

in the period that the U.S. Holder holds the Contingent Covered Bond. The OID would be foreign source ordinary income.

If the actual payments made on a Contingent Covered Bonds in a year differ from the projected contingent payments, U.S. Holders will recognise additional interest income or ordinary loss (after offsetting and reducing OID for such periods). Ordinary loss is recognised only to the extent of OID accrued in prior years, with any further excess being carried forward to offset OID accruals in future taxable years or as a reduction in the amount realised upon sale maturity or other disposition of the Contingent Covered Bond. U.S. Holders therefore might be required to recognise income greater or less than the interest and other cash payments on a Contingent Covered Bond.

Gain on the sale or other disposition of Contingent Covered Bonds generally will be treated as foreign source ordinary income. Loss will be treated as ordinary loss to the extent of prior net interest inclusions and capital loss to the extent of any excess. Loss generally would be treated as arising from foreign sources.

The comparable yield may be greater than or less than the stated interest, if any, with respect to the Contingent Covered Bond and does not constitute a representation by the Issuer regarding the actual amount, if any, that the Contingent Covered Bond will pay. U.S. Holders are urged to consult their tax advisers concerning the application of these special rules.

Disposition of the Covered Bonds

Subject to the discussion above regarding market discount and the discussion below regarding Foreign Currency Covered Bonds, a U.S. Holder generally will recognise U.S. source capital gain or loss upon a sale or other taxable disposition of a Covered Bond in an amount equal to the difference between the amount realised from such disposition (less any accrued but unpaid qualified stated interest, which will be taxable as interest to the extent not previously included in income) and the U.S. Holder's adjusted tax basis in the Covered Bond. Gain or loss on the sale or other disposition of a Covered Bond by a U.S. Holder generally will be long-term capital gain or loss if the Covered Bond has been held for more than a year. Special rules apply to gains or losses on Contingent Covered Bonds, as described above.

A U.S. Holder's adjusted tax basis in a Covered Bond generally will equal the U.S. Holder's cost of the Covered Bond, increased by any accrued market discount or OID included in income and decreased by the amount of any amortised bond premium or payment other than qualified stated interest received with respect to the Covered Bond.

Foreign Currency Covered Bonds

The following discussion summarises certain U.S. federal income tax consequences to a U.S. Holder of the ownership and disposition of a Covered Bond that is denominated in a specified currency other than the U.S. dollar or the payments of interest or principal on which are determined by reference to a currency other than the U.S. dollar (a "**Foreign Currency Covered Bond**"). The rules applicable to Foreign Currency Covered Bonds are complex and may depend on the U.S. Holder's particular U.S. federal income tax situation. For example, various elections are available under these rules, and whether a U.S. Holder should make any of these elections may depend on the U.S. Holder's particular U.S. federal income tax situation. U.S. Holders are urged to consult their tax advisers regarding the U.S. federal income tax consequences of the ownership and disposition of a Foreign Currency Covered Bond.

Special rules apply to Contingent Covered Bonds that are denominated in a specified currency other than the U.S. dollar ("**Foreign Currency Contingent Covered Bonds**"). Generally, these instruments are accounted for like Contingent Covered Bonds, as described above, but in the relevant specified currency. The relevant amounts must then be translated into U.S. dollar equivalents. The rules applicable to Foreign Currency Contingent Covered Bonds are complex and U.S. Holders should consult their own tax advisers regarding the U.S. federal income tax consequences of the acquisition, ownership and disposition of such instruments.

Interest

If an interest payment is denominated in, or determined by reference to, a specified currency other than the U.S. dollar, the amount of income recognised by a cash-method U.S. Holder will be the U.S. dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars.

An accrual-method U.S. Holder may determine the amount of income recognised with respect to an interest payment denominated in, or determined by reference to, a foreign currency in accordance with either of two methods. Under the first method, the amount of income accrued will be based on the average exchange rate in effect during the interest accrual period (or, in the case of an accrual period that spans two taxable years of the U.S. Holder, the part of the period within the relevant taxable year).

Under the second method, the U.S. Holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period (or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year). Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period, an electing accrual-method U.S. Holder may instead translate the accrued interest into U.S. dollars at the exchange rate in effect on the day of actual receipt. Any such election will apply to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder and will be irrevocable without the consent of the IRS.

Upon receipt of an interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a Covered Bond) denominated in, or determined by reference to, a currency other than the U.S. dollar, a U.S. Holder generally will recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

OID, Market Discount, Acquisition Premium and Amortisable Bond Premium

OID, market discount, acquisition premium and amortisable bond premium on a Foreign Currency Covered Bond are to be determined in the relevant foreign currency.

OID for each accrual period on a Covered Bond that is denominated in, or determined by reference to, a foreign currency will be determined in the foreign currency and then translated into U.S. dollars in the same manner as stated interest accrued by an accrual basis U.S. Holder, as described above. Upon receipt of an amount attributable to OID (whether in connection with a payment on the Covered Bond or a sale or disposition of the Covered Bond), a U.S. Holder may recognise U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. dollars.

Where a U.S. Holder elects to include market discount in income currently, the amount of market discount will be determined for any accrual period in the relevant foreign currency and then translated into U.S. dollars on the basis of the average rate in effect during the accrual period. Exchange gain or loss realised with respect to such accrued market discount will be determined in accordance with the rules relating to accrued interest described above. Accrued market discount (other than market discount currently included in income) recognised upon the receipt of any partial principal payment or upon the sale, retirement or other disposition of a Foreign Currency Covered Bond is translated into U.S. dollars at the spot rate on such payment or disposition date.

If an election to amortise bond premium is made, amortisable bond premium taken into account on a current basis will reduce interest income in units of the relevant foreign currency. Exchange gain or loss is realised on amortised bond premium with respect to any period by treating the bond premium amortised in the period in the same manner as payments on the sale, exchange or retirement of a Foreign Currency Covered Bond, as described below. Any exchange gain or loss will be ordinary income or loss as described below. If the election is not made, any loss realised on the sale, exchange or retirement of a Foreign Currency Covered Bond with amortisable bond premium by a U.S. Holder who has not elected to amortise the premium will be a capital loss to the extent of the bond premium.

Disposition

As discussed above under "Disposition of the Covered Bonds", and except to the extent discussed below, a U.S. Holder will generally recognise gain or loss on the sale or other taxable disposition of a Foreign Currency Covered Bond equal to the difference between the U.S. dollar amount realised on the sale or

retirement and its U.S. dollar tax basis in the Foreign Currency Covered Bond. U.S. Holders should consult their own tax advisers regarding the determination of their U.S. dollar amount realised and tax basis.

A U.S. Holder will recognise U.S. source exchange rate gain or loss (taxable as ordinary income or loss) on the sale or retirement of a Foreign Currency Covered Bond equal to the difference, if any, between the U.S. dollar values of the U.S. Holder's foreign currency purchase price for the Covered Bond (or, if less, the principal amount of the Covered Bond) on (i) the date of sale or retirement and (ii) the date on which the U.S. Holder acquired the Covered Bond. Any such exchange rate gain or loss will be realised only to the extent of total gain or loss realised on the sale or retirement. Any gain or loss realised by the U.S. Holder in excess of the foreign currency gain or loss will be capital gain or loss except to the extent of any accrued market discount or, in the case of a Short-Term Covered Bond, to the extent of any discount not previously included in the U.S. Holder's income, **provided that** the Covered Bond is not a Foreign Currency Contingent Covered Bonds.

Substitution of Issuer

The terms of the Covered Bonds provide that, in certain circumstances, the obligations of the Issuer under the Covered Bonds may be assumed by another entity. Any such assumption might be treated for U.S. federal income tax purposes as a deemed disposition of Covered Bonds by a U.S. Holder in exchange for new covered bonds issued by the new obligor. As a result of this deemed disposition, a U.S. Holder could be required to recognise capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the issue price of the new covered bonds (as determined for U.S. federal income tax purposes), and the U.S. Holder's adjusted tax basis in the Covered Bonds. U.S. Holders should consult their tax advisers concerning the U.S. federal income tax consequences to them of a change in obligor with respect to the Covered Bonds.

Information Reporting and Backup Withholding

Information returns may be filed with the IRS in connection with payments of principal and interest in respect of, and the proceeds from sales of, the Covered Bonds held by a U.S. Holder unless the U.S. Holder establishes, if required, that it is exempt from the information reporting rules, for example by properly establishing that it is a corporation. If the U.S. Holder does not establish that it is exempt from these rules, the U.S. Holder may be subject to backup withholding on these payments if it fails to provide a taxpayer identification number or otherwise comply with the backup withholding rules. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability and may entitle the U.S. Holder to a refund, **provided that** the required information is timely furnished to the IRS.

U.S. Holders should consult their tax advisers regarding any additional tax reporting or filing requirements they may have as a result of the acquisition, ownership or disposition of the Covered Bonds. Failure to comply with certain reporting obligations could result in the imposition of substantial penalties.

Singapore Taxation

*The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the MAS in force as at the date of this Offering Memorandum and are subject to any changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, guidelines or circulars, occurring after such date, which changes could be made on a retroactive basis, including amendments to the Income Tax (Qualifying Debt Securities) Regulations to include the conditions for the income tax and withholding tax exemptions under the qualifying debt securities ("**QDS**") scheme for early redemption fee (as defined in the Income Tax Act) and redemption premium (as such term has been amended by the Income Tax Act). Neither these statements nor any other statements in this Offering Memorandum are intended or are to be regarded as advice on the tax position of any holder of the Covered Bonds or of any person acquiring, selling or otherwise dealing with the Covered Bonds or on any tax implications arising from the acquisition, sale or other dealings in respect of the Covered Bonds. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Covered Bonds and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. Prospective holders of the Covered Bonds are advised to consult their own tax advisers as to the*

Singapore or other tax consequences of the acquisition, ownership of or disposal of the Covered Bonds, including the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuer, the Covered Bond Guarantor, the Sole Arranger and any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Covered Bonds.

Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the Income Tax Act the following payments are deemed to be derived from Singapore:

- (a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is:
 - (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore); or
 - (ii) deductible against any income accruing in or derived from Singapore; or
- (b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15% final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17%. The applicable rate for non-resident individuals is currently 24%. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15%. The rate of 15% may be reduced by applicable tax treaties.

Certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including interest, discount income (not including discount income arising from secondary trading), early redemption fee and redemption premium from debt securities except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession in Singapore.

Withholding Tax Exemption on Qualifying Payments by Specified Entities

Pursuant to Section 45I of the Income Tax Act, payments of income which are deemed under Section 12(6) of the Income Tax Act to be derived from Singapore and which are made by a specified entity shall be exempt from withholding tax if such payments are liable to be made by such specified entity for the purpose of its trade or business under a debt security which is issued within the period from 17 February 2012 to 31 December 2026. Notwithstanding the above, permanent establishments in Singapore of non-resident persons are required to declare such payments in their annual income tax returns and will be assessed to tax on such payments (unless specifically exempt from tax). A specified entity includes a bank or merchant bank licensed under the Banking Act.

Qualifying Debt Securities Scheme

As the Programme as a whole is arranged by Standard Chartered Bank (Singapore) Limited, which is a Specified Licensed Entity (as defined below), any tranche of the Covered Bonds ("**Relevant Covered Bonds**") issued as debt securities under the Programme during the period from the date of this Offering Memorandum to 31 December 2028 would be QDS for the purposes of the Income Tax Act, to which the following treatment shall apply:

- (a) subject to certain prescribed conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities in respect

of the Relevant Covered Bonds in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Covered Bonds as the MAS may require and the inclusion by the Issuer in all offering documents relating to the Relevant Covered Bonds of a statement to the effect that where interest, discount income, early redemption fee or redemption premium from the Relevant Covered Bonds is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for QDS shall not apply if the non-resident person acquires the Relevant Covered Bonds using funds from that person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), early redemption fee and redemption premium (collectively the "**Qualifying Income**") from the Relevant Covered Bonds paid by the Issuer and derived by a holder who is not resident in Singapore and who:

- (i) does not have any permanent establishment in Singapore; or
- (ii) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Covered Bonds are not obtained from such person's operation through a permanent establishment in Singapore,

are exempt from Singapore tax. "**Funds from Singapore operations**" means, in relation to a person, the funds and profits of that person's operations through a permanent establishment in Singapore;

- (b) subject to certain conditions having been fulfilled (including the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities in respect of the Relevant Covered Bonds in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Covered Bonds as the MAS may require), Qualifying Income paid by the Issuer and derived by any company or a body of persons (as defined in the Income Tax Act) in Singapore is subject to tax at a concessionary rate of 10% (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and
- (c) subject to:
 - (i) the Issuer including in all offering documents relating to the Relevant Covered Bonds a statement to the effect that any person whose interest, discount income, early redemption fee or redemption premium derived from the Relevant Covered Bonds is not exempt from tax shall include such income in a return of income made under the Income Tax Act; and
 - (ii) the furnishing by the Issuer, or such other person as the MAS may direct, to the MAS of a return on debt securities in respect of the Relevant Covered Bonds in the prescribed format within such period as the MAS may specify and such other particulars in connection with the Relevant Covered Bonds as the MAS may require,

payments of Qualifying Income derived from the Relevant Covered Bonds are not subject to withholding of tax by the Issuer.

Notwithstanding the foregoing:

- (a) if during the primary launch of any tranche of Relevant Covered Bonds, the Relevant Covered Bonds of such tranche are issued to fewer than four persons and 50% or more of the issue of such Relevant Covered Bonds is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Covered Bonds would not qualify as QDS; and
- (b) even though a particular tranche of Relevant Covered Bonds are QDS, if, at any time during the tenure of such tranche of Relevant Covered Bonds, 50% or more of such Relevant Covered Bonds which are outstanding at any time during the life of their issue is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from such Relevant Covered Bonds held by:
 - (i) any related party of the Issuer; or

- (ii) any other person where the funds used by such person to acquire such Relevant Covered Bonds are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax described above.

Pursuant to the Income Tax Act, the reference to the term "**Specified Licensed Entity**" above means:

- (a) a bank or merchant bank licensed under the Banking Act;
- (b) a finance company licensed under the Finance Companies Act 1967 of Singapore; or
- (c) a person who holds a capital markets services licence under the SFA to carry on a business in any of the following regulated activities: advising on corporate finance or dealing in capital markets products.

The terms "**early redemption fee**", "**redemption premium**" and "**related party**" are defined in the Income Tax Act as follows:

- (a) "**early redemption fee**", in relation to debt securities and QDS, means any fee payable by the issuer of the securities on the early redemption of the securities;
- (b) "**redemption premium**", in relation to debt securities and QDS, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity or on the early redemption of the securities; and
- (c) "**related party**", in relation to a person (*A*), means any person (a) who directly or indirectly controls *A*; (b) who is being controlled directly or indirectly by *A*; or (c) who, together with *A*, is directly or indirectly under the control of a common person.

References to "early redemption fee", "redemption premium" and "related party" in this Singapore tax disclosure have the same meaning as defined in the Income Tax Act.

Where interest, discount income, early redemption fee or redemption premium (i.e. the Qualifying Income) is derived from any of the Relevant Covered Bonds by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS under the Income Tax Act (as mentioned above) shall not apply if such person acquires such Relevant Covered Bonds using 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 (i.e. the Qualifying Income) derived from the Relevant Covered Bonds is not exempt from tax (including for the reasons described above) is required to include such income in a return of income made under the Income Tax Act.

Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Covered Bonds will not be taxable in Singapore. However, any gains derived by any person from the sale of the Covered Bonds as part of a trade or business carried on by that person in Singapore may be taxable as such gains are considered revenue in nature.

Holders of the Covered Bonds who apply or who are required to apply Singapore Financial Reporting Standard ("**FRS**") 109 or Singapore Financial Reporting Standard (International) 9 (Financial Instruments) ("**SFRS(I) 9**") (as the case may be) for Singapore income tax purposes may be required to recognise gains or losses (not being gains or losses in the nature of capital) for tax purposes in accordance with the provisions of FRS 109 or SFRS(I) 9 (as the case may be) even though no sale or disposal of the Covered Bonds is made. See also "*Adoption of FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes*".

Adoption of FRS 109 or SFRS(I) 9 for Singapore Income Tax Purposes

Section 34AA of the Income Tax Act requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 (as the case may be) for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109

or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued a circular entitled "Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments".

Holders of the Covered Bonds who may be subject to the tax treatment under Section 34AA of the Income Tax Act should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Covered Bonds.

Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

Payments by the Covered Bond Guarantor under the Covered Bond Guarantee

Pursuant to the Tax Incentive Scheme for Special Purpose Vehicle Engaged in Covered Bonds Transactions granted to the Covered Bond Guarantor and subject to meeting all the conditions thereunder (including that all Covered Bonds issued under the Programme are listed on the SGX-ST), the tax exemption or concessionary tax rate (as the case may be) for Qualifying Income under the QDS scheme applies to such payments made by the Covered Bond Guarantor under the Covered Bond Guarantee in respect of Covered Bonds issued during the period from 23 October 2023 to 31 December 2028, as long as such Covered Bonds are QDS and continue to meet all the conditions under the QDS scheme (as described above).

ERISA AND CERTAIN OTHER CONSIDERATIONS

Section 406 of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), and Section 4975 of the Code prohibit certain transactions involving the assets of an "employee benefit plan" as defined in Section 3(3) of ERISA that is subject to Part 4 of Subtitle B of Title I of ERISA, a "plan" as defined in Section 4975(e)(1) of the Code that is subject to Section 4975 of the Code, including collective investment funds and separate accounts whose underlying assets include the assets of such plans, and any entity whose underlying assets include "plan assets" by reason of such "employee benefit plan's" or "plan's" investment in the entity or otherwise for the purposes of Part 4 of Subtitle B of Title I of ERISA or Section 4975 of the Code (each of the foregoing, a "**Plan**"), and persons referred to as "**parties in interest**" within the meaning of Section 3(14) of ERISA or "**disqualified persons**" within the meaning of Section 4975(e)(2) of the Code (collectively, "**Parties in Interest**") having certain relationships to such Plans, unless a statutory or administrative exemption applies to the transaction. A Party in Interest who engages in a non-exempt prohibited transaction may be subject to excise taxes or other penalties and liabilities under ERISA or Section 4975 of the Code.

Certain exemptions from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code may apply depending in part on the type of Plan fiduciary making the decision to acquire a Covered Bond and the circumstances under which such decision is made. Included among these exemptions are (but are not limited to) Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code (relating to certain transactions between a Plan and a service provider to the Plan, **provided that** neither the service provider nor its affiliate has or exercises any discretionary authority or control or renders any investment advice with respect to the assets of any Plan involved in the transaction (in other words, not a fiduciary) and **provided further that** the Plan pays no more than, and receives no less than, "adequate consideration" in connection with the transaction) and Prohibited Transaction Class Exemption ("**PTCE**") 95-60 (relating to investments by insurance company general accounts), PTCE 91-38 (relating to investments by bank collective investment funds), PTCE 84-14 (relating to transactions effected by a "qualified professional asset manager"), PTCE 90-1 (relating to investments by insurance company pooled separate accounts) and PTCE 96-23 (relating to transactions determined by an in-house asset manager). There can be no assurance that any of these exemptions or any other exemption will be available with respect to any particular transaction involving the Covered Bonds or that, if an exemption is available, it will cover all aspects of any particular transaction. Accordingly, each original or subsequent purchaser or transferee of a Covered Bond that is or may become a Plan is responsible for determining that its acquisition, holding and disposition of such Covered Bond (or any interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

The U.S. Department of Labor (the "**DOL**") has promulgated a regulation at 29 C.F.R. § 2510.3-101 describing what constitutes the assets of a Plan for the purposes of Part 4 of Subtitle B of Title I of ERISA and Section 4975 of the Code (as modified by Section 3(42) of ERISA, the "**Plan Asset Regulation**"). Pursuant to a look-through rule under the Plan Asset Regulation, if a Plan invests in an "equity interest" of an entity, then the Plan's assets include both the equity interest and an undivided interest in each of the entity's underlying assets, unless an exception applies. If the underlying assets of the entity are deemed to be assets of a Plan, the fiduciary responsibility provisions of Part 4 of Subtitle B of Title I of ERISA and prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code may apply to the underlying assets and activities of the entity, and there may be an increase in the exposure to liability under Part 4 of Subtitle B of Title I of ERISA and Section 4975 of the Code of various providers of fiduciary or other services to the entity, and the activities of the entity may be restricted or limited. There is an exception, among others, to the look-through rule under the Plan Asset Regulation applicable to an "**operating company**" which the Plan Asset Regulation defines as an entity that is primarily engaged in the production or sale of products or services (other than the investment of capital) directly or through majority-owned subsidiaries. The Issuer considers itself to qualify as an operating company, but no assurances are provided as to such qualification.

For purposes of the Plan Asset Regulation, an equity interest includes any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features. Unless the applicable Pricing Supplement specifies that the relevant Covered Bonds are not-ERISA eligible, the Issuer will proceed based on the position that the Covered Bonds should not be considered at the time of issuance to be "equity interests" of the Issuer and that the Issuer qualifies as an operating company, in each case for the purposes of Part 4 of Subtitle B of Title I of ERISA or Section 4975 of the Code (see "*Taxation – U.S. Taxation – Characterisation of the Covered Bonds*") and subject to the requirements discussed herein, the Covered Bonds may generally be purchased and held by Plans. Each

purchaser or transferee of a Covered Bond (or any interest therein) will be deemed to have represented, warranted and agreed that either:

- (a) it is not, and is not acting on behalf of, a Plan or a governmental, church or non-U.S. plan that is subject to any U.S. federal, state, local or non-U.S. law or regulation that contains one or more provisions that are substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code ("**Similar Law**"); or
- (b) its acquisition, holding and disposition of a Covered Bond (or any interest therein) does not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of a governmental, church or non-U.S. plan, a violation of any applicable Similar Law).

Any purported transfer of a Covered Bond (or any interest therein) to a purchaser or transferee that does not comply with the above requirements will be of no force and effect and shall be null and void *ab initio*.

ERISA imposes certain requirements on Plans, and on those persons who are fiduciaries with respect to Plans. Investments by Plans are subject to ERISA's general fiduciary requirements, including, but not limited to, the requirement of investment prudence and diversification and the requirement that a Plan's investments be made in accordance with the documents governing the Plan.

Moreover, a Plan that purchases Covered Bonds denominated in U.S. dollars may also be deemed to be purchasing any rights the Plan has to participate in the receipt of payments under a Covered Bond Swap Agreement in respect of such Covered Bonds denominated in U.S. dollars (any such participation rights, the "**Currency Swap Rights**"), in which case both the acquisition, holding and disposition of the relevant Covered Bonds denominated in U.S. dollars and corresponding Currency Swap Rights could give rise to a non-exempt prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code. However, the same administrative and statutory prohibited transaction class exemptions that would permit a Plan to acquire, hold and dispose of Covered Bonds should also permit a Plan's acquisition, holding and disposition of the Currency Swap Rights.

Under the Plan Asset Regulation, when a Plan's interest in an entity relates solely to separate property of the entity (such as a Currency Swap Right), such a separate property is treated as a separate hypothetical entity, and if Plan participation in that separate entity is "significant," as determined under the Plan Asset Regulation by applying the ERISA 25% calculation that is described in the Plan Asset Regulation, the participating Plans could each have an undivided interest in any assets of the entity.

It is possible that a Plan's investment in Covered Bonds denominated in U.S. dollars could also be treated as an investment in any Currency Swap Right corresponding to such Covered Bonds denominated in U.S. dollars. This is far from clear. However, even if a Plan were treated as investing in a Currency Swap Right, and somehow if the ERISA 25% threshold were equalled or exceeded with respect to any Currency Swap Rights, their terms are fixed, and the Issuer is not exercising any fiduciary discretion with respect to such Currency Swap Rights. Each Plan that purchases Covered Bonds denominated in U.S. dollars will be deemed to acknowledge that: (i) it directs the Issuer to enter into a Covered Bond Swap Agreement in respect of any Covered Bonds denominated in U.S. dollars on its behalf; and (ii) the Issuer is not acting as its fiduciary with respect to any such Covered Bond Swap Agreement.

This Offering Memorandum is not directed to any particular prospective investor, nor does it address the needs of any particular prospective investor. None of the Issuer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee, the Agents, the Sole Arranger, the Dealers or any of their respective affiliates (the "**Transaction Persons**") has undertaken to provide any investment advice, or to give advice in a fiduciary capacity, and none of the Transaction Persons has or shall provide any investment advice or recommendation with respect to the management of any interest in a Covered Bond or the advisability of acquiring, holding, disposing or exchanging of any such interest. Any purchaser or transferee that is, or is acting on behalf of, a Plan that purchases or acquires a Covered Bond shall, by its purchase and holding of the Covered Bond (or any interest therein), be deemed to represent, warrant and agree that (i) none of the Transaction Persons has provided any investment recommendation or investment advice to it, or any fiduciary or other person investing the assets of the Plan ("**Plan Fiduciary**") and they are not otherwise undertaking to act as a fiduciary, as defined in Section 3(21) of ERISA or Section 4975(e)(3) of the Code, to the Plan or the Plan Fiduciary in connection with the Plan's acquisition of the Covered Bonds and (ii) the

Plan Fiduciary is exercising its own independent judgment in evaluating the investment in the Covered Bonds.

THE PRECEDING DISCUSSION IS ONLY A SUMMARY OF CERTAIN ERISA AND OTHER U.S. IMPLICATIONS OF AN INVESTMENT IN THE SECURITIES AND DOES NOT PURPORT TO BE COMPLETE. PROSPECTIVE INVESTORS SHOULD CONSULT WITH THEIR OWN LEGAL, TAX, FINANCIAL AND OTHER ADVISERS PRIOR TO INVESTING TO REVIEW THESE IMPLICATIONS IN LIGHT OF SUCH INVESTOR'S PARTICULAR CIRCUMSTANCES.

SUBSCRIPTION AND SALE

Subject to the terms and on the conditions contained in an amended and restated programme agreement dated on or about 7 April 2026 (the "**Programme Agreement**") among, *inter alios*, the Issuer and the Sole Arranger and Programme Dealer, the Covered Bonds will be offered on a continuous basis by the Issuer to the Programme Dealers. However, the Issuer has reserved the right to issue Covered Bonds directly on its own behalf to Dealers that are not Programme Dealers. The Covered Bonds may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Covered Bonds may also be sold by the Issuer through Dealers, acting as agents of the Issuer. The Programme Agreement also provides for Covered Bonds to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between the Issuer and the Dealer in respect of Covered Bonds subscribed by it. The Issuer has agreed to reimburse the Sole Arranger for certain of its expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Covered Bonds on a syndicated basis will be stated in the relevant subscription agreement between the Issuer and the relevant Dealer(s). The Issuer may also from time to time agree with the relevant Dealer(s) that it may pay certain third parties commissions (including, without limitation, rebates to private banks).

The Issuer and the Covered Bond Guarantor have agreed to jointly and severally indemnify the Dealers against certain liabilities in connection with the offer and sale of the Covered Bonds. The Programme Agreement entitles the Dealers to terminate any agreement that they may make to subscribe Covered Bonds in certain circumstances prior to payment for such Covered Bonds being made to the Issuer.

In order to facilitate the offering of any Tranche of the Covered Bonds, one or more Dealers named as Stabilisation Coordinators (or persons acting on behalf of any Stabilisation Coordinator) in the applicable Pricing Supplement, to the extent permitted by applicable laws and regulations, may engage in transactions that stabilise, maintain or otherwise affect the market price of the relevant Covered Bonds during and after the offering of the relevant Tranche. Specifically, such persons may over-allot or create a short position in the Covered Bonds for their own account by selling more Covered Bonds than have been sold to them by the Issuer. Such persons may also elect to cover any such short position by purchasing Covered Bonds in the open market. In addition, such persons may stabilise or maintain the price of the Covered Bonds by bidding for or purchasing Covered Bonds in the open market and may impose penalty bids, under which selling concessions allowed to syndicate members or other broker-dealers participating in the offering of the Covered Bonds are reclaimed if Covered Bonds previously distributed in the offering are repurchased in connection with stabilisation transactions or otherwise. The effect of these transactions may be to stabilise or maintain the market price of the Covered Bonds at a level above that which might otherwise prevail in the open market. The imposition of a penalty bid may also affect the price of the Covered Bonds to the extent that it discourages resales thereof. No representation is made as to whether such stabilisation activities will take place at all or the magnitude or effect of any such stabilising or other transactions. Such transactions, if commenced, may be discontinued at any time. Stabilisation activities are subject to certain prescribed time limits in certain jurisdictions. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Covered Bonds is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Covered Bonds and 60 days after the date of the allotment of the relevant Tranche of Covered Bonds.

See "*Clearing and Settlement – Book-Entry Ownership – Pre-issue Trades Settlement for Registered Covered Bonds*" with respect to the settlement of any Covered Bonds issued.

Declaration of Interest

SCBSL is the Issuer and is also acting as the Sole Arranger and Programme Dealer in respect of the Programme.

The Programme Dealer is a full service financial institution engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The Programme Dealer and its affiliates have, from time to time, performed, and may in the future perform,

various financial advisory and investment banking services (including hedging services) for the Issuer and its respective affiliates, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Programme Dealer and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the Issuer and its respective affiliates. The Programme Dealer may from time to time also enter into swap and other derivative transactions with the Issuer and its respective affiliates. The Programme Dealer and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Important Notice to CMIs (including private banks)

This notice to CMIs (including private banks) is a summary of certain obligations the SFC Code imposes on CMIs, which require the attention and cooperation of other CMIs (including private banks). Certain CMIs may also be acting as OCs for the relevant CMI Offering and are subject to additional requirements under the SFC Code. The application of these obligations will depend on the role(s) undertaken by the relevant Dealer(s) in respect of each CMI Offering.

Prospective investors who are the directors, employees or major shareholders of the Issuer, the Covered Bond Guarantor, a CMI or its group companies would be considered under the SFC Code as having an Association with the Issuer, the Covered Bond Guarantor, the CMI or the relevant group company. CMIs should specifically disclose whether their investor clients have any Association when submitting orders for the relevant Covered Bonds. In addition, private banks should take all reasonable steps to identify whether their investor clients may have any Associations with the Issuer, the Covered Bond Guarantor or any CMI (including its group companies) and inform the relevant Dealers accordingly.

CMIs are informed that, unless otherwise notified, the marketing and investor targeting strategy for the relevant CMI Offering includes institutional investors, sovereign wealth funds, pension funds, hedge funds, family offices and high net worth individuals, in each case, subject to the selling restrictions and any MiFID II product governance language or any UK MiFIR product governance language set out elsewhere in this Offering Memorandum and/or the applicable Pricing Supplement.

CMIs should ensure that orders placed are *bona fide*, are not inflated and do not constitute duplicated orders (i.e. two or more corresponding or identical orders placed via two or more CMIs). CMIs should enquire with their investor clients regarding any orders which appear unusual or irregular. CMIs should disclose the identities of all investors when submitting orders for the relevant Covered Bonds (except for omnibus orders where underlying investor information may need to be provided to any OCs when submitting orders). Failure to provide underlying investor information for omnibus orders, where required to do so, may result in that order being rejected. CMIs should not place "X-orders" into the order book.

CMIs should segregate and clearly identify their own proprietary orders (and those of their group companies, including private banks as the case may be) in the order book and book messages.

CMIs (including private banks) should not offer any rebates to prospective investors or pass on any rebates provided by the Issuer and/or the Covered Bond Guarantor. In addition, CMIs (including private banks) should not enter into arrangements which may result in prospective investors paying different prices for the relevant Covered Bonds. CMIs are informed that a private bank rebate may be payable as stated above and in the applicable Pricing Supplement, or otherwise notified to prospective investors.

The SFC Code requires that a CMI disclose complete and accurate information in a timely manner on the status of the order book and other relevant information it receives to targeted investors for them to make an informed decision. In order to do this, those Dealers in control of the order book should consider disclosing order book updates to all CMIs.

When placing an order for the relevant Covered Bonds, private banks should disclose, at the same time, if such order is placed other than on a "principal" basis (whereby it is deploying its own balance sheet for onward selling to investors). Private banks who do not provide such disclosure are hereby deemed to be placing their order on such a "principal" basis. Otherwise, such order may be considered to be an omnibus

order pursuant to the SFC Code. Private banks should be aware that placing an order on a "principal" basis may require the relevant affiliated Dealer(s) (if any) to categorise it as a proprietary order and apply the "proprietary orders" requirements of the SFC Code to such order and will result in that private bank not being entitled to, and not being paid, any rebate.

In relation to omnibus orders, when submitting such orders, CMIIs (including private banks) that are subject to the SFC Code should disclose underlying investor information in respect of each order constituting the relevant omnibus order (failure to provide such information may result in that order being rejected). Underlying investor information in relation to omnibus orders should consist of:

- The name of each underlying investor;
- A unique identification number for each investor;
- Whether an underlying investor has any "Associations" (as used in the SFC Code);
- Whether any underlying investor order is a "Proprietary Order" (as used in the SFC Code);
- Whether any underlying investor order is a duplicate order.

Underlying investor information in relation to omnibus order should be sent to the Dealers named in the applicable Pricing Supplement.

To the extent information being disclosed by CMIIs and investors is personal and/or confidential in nature, CMIIs (including private banks) agree and warrant: (A) to take appropriate steps to safeguard the transmission of such information to any OCs; and (B) that they have obtained the necessary consents from the underlying investors to disclose such information to any OCs. By submitting an order and providing such information to any OCs, each CMI (including private banks) further warrants that they and the underlying investors have understood and consented to the collection, disclosure, use and transfer of such information by any OCs and/or any other third parties as may be required by the SFC Code, including to the Issuer, the Covered Bond Guarantor, relevant regulators and/or any other third parties as may be required by the SFC Code, for the purpose of complying with the SFC Code, during the bookbuilding process for the relevant CMI Offering. CMIIs that receive such underlying investor information are reminded that such information should be used only for submitting orders in the relevant CMI Offering. The relevant Dealers may be asked to demonstrate compliance with their obligations under the SFC Code, and may request other CMIIs (including private banks) to provide evidence showing compliance with the obligations above (in particular, that the necessary consents have been obtained). In such event, other CMIIs (including private banks) are required to provide the relevant Dealer with such evidence within the timeline requested.

Selling Restrictions

United States

The Covered Bonds and the Covered Bond Guarantee have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in accordance with Regulation S, Rule 144A or pursuant to an exemption from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Bearer Covered Bonds are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), and regulations thereunder.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or in the case of Bearer Covered Bonds, deliver Covered Bonds of any Tranche:

- (a) as part of their distribution at any time; and

- (b) otherwise until the expiration of 40 days after the completion of the distribution of such Tranche as determined and certified to each relevant Dealer by the Issuing and Paying Agent or the lead manager of a syndicated issue of Covered Bonds, as the case may be, within the United States or to, or for the account or benefit of, U.S. persons,

except in accordance with Rule 903 of Regulation S or Rule 144A. Each Dealer also has agreed that, at or prior to confirmation of a sale of Covered Bonds, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Covered Bonds from it during the distribution compliance period a confirmation or notice to substantially the following effect:

"The Securities covered hereby have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons:

- a. as part of their distribution at any time; or
- b. otherwise until the expiration of 40 days after the completion of the distribution of all Covered Bonds of the Tranche of which such Covered Bonds are a part, as determined and certified by the relevant Dealers, in the case of a non-Syndicated Issue, or the Lead Manager, in the case of a Syndicated Issue,

except in either case in accordance with Regulation S or Rule 144A under the Securities Act. Terms used above have the meanings given to them by Regulation S under the Securities Act."

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that neither it nor any of its affiliates (as defined in Rule 501(b) of Regulation D under the Securities Act ("**Regulation D**")), nor any person acting on its or their behalf has engaged or will engage in any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with any offer and sale of the Covered Bonds in the United States.

Terms used in the paragraphs above have the meanings given to them by Regulation S.

The Covered Bonds may be offered and sold outside the United States to non-U.S. persons in reliance on Regulation S. The Programme Agreement provides that the Dealers may directly or through their respective U.S. broker-dealer affiliates arrange for the offer and resale of Covered Bonds within the United States only to QIBs in reliance on Rule 144A.

In addition, until 40 days after the commencement of the offering of an identifiable tranche of Covered Bonds, an offer or sale of Covered Bonds within the United States by any dealer that is not participating in the offering of such tranche of Covered Bonds may violate the registration requirements of the Securities Act.

Covered Bonds in bearer form are subject to U.S. tax law requirements. In addition, unless the Pricing Supplement or subscription agreement relating to one or more Tranches specifies that the applicable TEFRA exemption is either "TEFRA D", "TEFRA C" or "not applicable", each Dealer has represented in relation to each Tranche of Covered Bonds in bearer form that:

- (a) except to the extent permitted under U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) ("**TEFRA D**"):
 - (i) it has not offered or sold, and during the restricted period it will not offer or sell, Covered Bonds in bearer form to a person who is within the United States or its possessions or to a United States person; and
 - (ii) it has not delivered and agrees that it will not deliver within the United States or its possessions definitive Covered Bonds in bearer form that are sold during the restricted period;
- (b) it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Covered Bonds in bearer form are aware that such Covered Bonds may not be offered or sold during the restricted

period to a person who is within the United States or its possessions or to a United States person, except as permitted by TEFRA D;

- (c) if it is a United States person, that it is acquiring the Covered Bonds in bearer form for purposes of resale in connection with their original issue and if it retains Covered Bonds for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. §1.163-5(c)(2)(i)(D)(6) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code);
- (d) with respect to each affiliate that acquires Covered Bonds in bearer form from a Dealer for the purpose of offering or selling such Covered Bonds during the restricted period, it either (i) repeats and confirms the representations contained in (a), (b) and (c) above on behalf of such affiliate or (ii) agrees that it will obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in (a), (b) and (c) above; and
- (e) it has not and agrees that it will not enter into any written contract (as defined in U.S. Treas. Reg. §1.163-5(c)(2)(i)(D)(4)) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (other than a confirmation or other notice of the transaction) pursuant to which any other party to the contract (other than one of its affiliates or another Dealer) has offered or sold, or during the restricted period will offer or sell, any Covered Bonds, except where pursuant to the contract the Dealer has obtained or will obtain from that party, for the benefit of the Issuer and the relevant Dealers, the representations contained in, and that party's agreement to comply with, the provisions of (a), (b), (c) and (d) above.

Terms used in this paragraph have the meanings given to them by the Code and regulations promulgated thereunder, including TEFRA D.

Covered Bonds that have an original maturity of more than one year issued pursuant to TEFRA D (other than Temporary Global Covered Bonds) and any receipts, coupons or talons appertaining thereto will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".

In addition, to the extent that the Pricing Supplement or the subscription agreement relating to one or more tranches of the Covered Bonds in bearer form specifies that the applicable TEFRA exemption is TEFRA C, such Covered Bonds in bearer form must be issued and delivered outside the United States and its possessions in connection with their original issuance. In relation to each Tranche, each Dealer has represented and agreed that it has not offered, sold or delivered, and shall not offer, sell or deliver, directly or indirectly, such Covered Bonds in bearer form within the United States or its possessions in connection with their original issuance. Further, each Dealer has represented and agreed in connection with the original issuance of such Covered Bonds in bearer form that it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either such purchaser or it is within the United States or its possessions or otherwise involve its U.S. office in the offer or sale of such Covered Bonds in bearer form. Terms used in this paragraph have the meanings given to them by the Code and U.S. Treasury regulations promulgated thereunder, including U.S. Treas. Reg. §1.163-5(c)(2)(1)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) ("**TEFRA C**"). In connection with an offer or sale of any Covered Bonds in the United States or an offering in reliance on or pursuant to Regulation S, each Dealer has represented and agreed that, it is (a) a "qualified institutional buyer" within the meaning of Rule 144A and an "accredited investor" within the meaning of Rule 501(a) under the Securities Act or (b) a non-U.S. person outside of the United States.

Any resale or other transfer, or attempted resale or other transfer of Covered Bonds sold as part of a private placement in the United States made other than in compliance with the restrictions set out above shall not be recognised by the Issuer or any agent of the Issuer and shall be void. The certificates for the Covered Bonds sold in the United States shall bear a legend to this effect.

Each issue of other types of Covered Bonds may be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issue and purchase of such Covered Bonds, which additional selling restrictions shall be set out in the applicable Pricing Supplement or subscription agreement, as the case may be. The relevant Dealer agrees that it shall offer, sell and deliver such Covered Bonds only in compliance with such additional U.S. selling restrictions.

Prohibition of Sales to EEA Retail Investors

Unless the applicable Pricing Supplement in respect of any Covered Bonds specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Covered Bonds which are the subject of the offering contemplated by this Offering Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**");
 - (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; or
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"); and
- (b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds.

If the applicable Pricing Supplement in respect of any Covered Bonds specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the European Economic Area, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Covered Bonds which are the subject of the offering contemplated by this Offering Memorandum as completed by the Pricing Supplement in relation thereto to the public in that Member State except that it may make an offer of such Covered Bonds to the public in that Member State:

- (a) *Qualified investors*: at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;
- (b) *Fewer than 150 offerees*: at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) *Other exempt offers*: at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of Covered Bonds referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Covered Bonds to the public**" in relation to any Covered Bonds in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Covered Bonds and the expression "**EU Prospectus Regulation**" means Regulation (EU) 2017/1129.

United Kingdom

Prohibition of Sales to UK Retail Investors

Unless the applicable Pricing Supplement in respect of any Covered Bonds specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold, distributed or otherwise made available and will not offer, sell, distribute or otherwise make available any

Covered Bonds which are the subject of this Offering Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is either one (or both) of the following:
 - (i) not 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 in the United Kingdom by virtue of the EUWA; or
 - (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024; and
- (b) the expression "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to buy or subscribe for the Covered Bonds.

If the applicable Pricing Supplement in respect of any Covered Bonds specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Covered Bonds which are the subject of this Offering Memorandum as completed by the Pricing Supplement in relation thereto to the public in the United Kingdom except that it may make an offer of such Covered Bonds to the public in the United Kingdom:

- (A) at any time to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs;
- (B) at any time to fewer than 150 persons (other than qualified investors as defined in paragraph 15 of Schedule 1 to the POATRs) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (C) at any time in any other circumstances falling within Part 1 of Schedule 1 to the POATRs,

For the purposes of this provision, the expression "**an offer of Covered Bonds to the public**" in relation to any Covered Bonds means the communication in any form and by any means of sufficient information on the terms of the offer and the Covered Bonds to be offered so as to enable an investor to decide to buy or subscribe for the Covered Bonds; and the expression "**POATRs**" means the Public Offers and Admissions to Trading Regulations 2024.

Other UK regulatory restrictions

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (i) ***No deposit taking***: in relation to any Covered Bonds which have a maturity of less than one year:
 - (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
 - (b) it has not offered or sold and will not offer or sell any Covered Bonds other than to persons:
 - (1) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
 - (2) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the Covered Bonds would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer or the Covered Bond Guarantor;

- (ii) ***Financial promotion***: it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment

activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Covered Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Covered Bond Guarantor; and

- (iii) **General compliance:** it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Covered Bonds in, from or otherwise involving the UK.

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) it has not offered or sold, and will not offer or sell, in Hong Kong, by means of any document, any Covered Bonds, except for Covered Bonds which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**"), other than (a) to "professional investors" as defined in the SFO and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMPO)**") or which do not constitute an offer to the public within the meaning of the C(WUMPO); and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Covered Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Covered Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Japan

The Covered Bonds have not been, and will not be, registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell the Covered Bonds in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws, regulations and ministerial guidelines of Japan.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Memorandum has not been registered as a prospectus with the MAS. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Covered Bonds or caused the Covered Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell any Covered Bonds or cause the Covered Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Covered Bonds, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (the "**Corporations Act**")) in relation to the Programme or any Covered Bonds has been, or will be, lodged

with the Australian Securities and Investments Commission ("ASIC"). Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it:

- (a) has not made or invited, and will not make or invite, an offer of the Covered Bonds for issue or sale in Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, this Offering Memorandum or any other offering material or advertisement relating to any Covered Bonds in Australia,

unless:

- (i) the aggregate consideration payable by each offeree is at least AUD 500,000 (or its equivalent in an alternate currency, in either case, disregarding monies lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act;
- (ii) the offer does not constitute an offer to a "retail client" as defined for the purposes of section 761G of the Corporations Act;
- (iii) such action complies with all applicable laws and regulations in Australia; and
- (iv) such action does not require any document to be lodged with ASIC.

Indonesia

Each Dealer has acknowledged and each further Dealer appointed under the Programme will be required to acknowledge, that in compliance with Indonesian Capital Markets Law, the Covered Bonds may not be offered and sold in Indonesia or to any Indonesian investors (whether individual or entity) wherever they are domiciled or located in a manner which constitutes a public offering under Indonesian Capital Markets Law. The Covered Bonds have not been and will not be registered with or notified to the Financial Services Authority of Indonesia, and therefore may not be offered or sold in Indonesia or to Indonesian investors (whether individual or entity), wherever they are domiciled or located in a manner which constitutes a public offering under Indonesian Capital Markets Law.

General

These selling restrictions may be supplemented or modified by the agreement of the Issuer and any Dealers, following a change in a relevant law, regulation or directive. Any such modification will be set out in the Pricing Supplement issued in respect of the issue of Covered Bonds to which it relates or in a supplement to this Offering Memorandum.

No representation is made that any action has been or will be taken in any jurisdiction that would permit a public offering of any of the Covered Bonds, or possession or distribution of the Offering Memorandum or any other offering material or any supplemental Offering Memorandum or Pricing Supplement, in any country or jurisdiction where action for that purpose is required and neither the Issuer nor any other Dealer shall have responsibility therefor.

Each Dealer has agreed that it will, to the best of its knowledge and belief, comply with all relevant securities laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Covered Bonds or has in its possession or distributes this Offering Memorandum, any other offering material or any Pricing Supplement. Other persons into whose hands this Offering Memorandum or any Pricing Supplement comes are required by the Issuer and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Covered Bonds or possess, distribute or publish this Offering Memorandum or any Pricing Supplement or any related offering material, in all cases at their own expense.

None of the Issuer nor any of the Dealers represents that Covered Bonds may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating any such sale.

If a jurisdiction requires that the offering be made by a licensed broker or dealer and any Dealer or any affiliate of a Dealer is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Dealer or such affiliate on behalf of the Issuer in such jurisdiction.

FORM OF PRICING SUPPLEMENT

Pricing Supplement dated [•]

STANDARD CHARTERED BANK (SINGAPORE) LIMITED

Issue of [Aggregate Nominal Amount of Tranche] [Title of Covered Bonds] under the USD5,000,000,000 Global Covered Bond Programme

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

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Memorandum dated 7 April 2026 [and the supplemental [Offering Memorandum] dated [•]]. This Pricing Supplement contains the final terms of the Covered Bonds and must be read in conjunction with such Offering Memorandum [as so supplemented]. [This Pricing Supplement, together with the information set out in Schedule [•] to this Pricing Supplement, supplements the Offering Memorandum and supersedes the information in the Offering Memorandum to the extent inconsistent with the information included therein.]

[The Covered Bonds have not been registered under the Securities Act, or under the securities laws of any state or other jurisdiction of the United States. The Covered Bonds may not be offered, sold, pledged or otherwise transferred within the United States to, or for the account or benefit of, any U.S. person (as defined in Regulation S) unless the offer or sale would qualify for a registration exemption from, or would not be subject to the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Covered Bonds are being offered and sold only [(1) to qualified institutional buyers (as defined in Rule 144A under the Securities Act) and (2)] outside the United States to non-U.S. persons as defined in, and in compliance with, Regulation S. See "Subscription and Sale" and "Transfer Restrictions" in the Offering Memorandum for information about eligible offerees and transfer restrictions.]

[The following language applies if any tranche of the Covered Bonds is intended to be "qualifying debt securities" (as defined in the Income Tax Act 1947 of Singapore):

Where interest, discount income, early redemption fee or redemption premium is derived from any of the Covered Bonds 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 Covered Bonds 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 Covered Bonds 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.]

[The following alternative language applies if the first tranche of an issue which is being increased was issued under Offering Memorandum with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Offering Memorandum dated 7 April 2026. This Pricing Supplement contains the final terms of the Covered Bonds and must be read in conjunction with the Offering Memorandum dated 7 April 2026 [and the supplemental Offering Memorandum dated [•]], save in respect of the Conditions which are extracted from the Offering Memorandum dated [•] and are attached hereto.]

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Note directions for completing the Pricing Supplement.]

[MIFID II PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET] – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a "**distributor**") should take into consideration the

manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[UK MiFIR PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Covered Bonds 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 in the EEA means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds 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 Covered Bonds are not intended to be offered, sold, distributed or otherwise made available to and should not be offered, sold, distributed or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor in the UK means a person who is either one (or both) of the following: (i) not 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 in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); or (ii) not a qualified investor as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024. Consequently no disclosure document required by the FCA Product Disclosure Sourcebook ("**DISC**") for offering, selling or distributing the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024.]

[SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE NOTIFICATION: The Covered Bonds are "capital markets products other than prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]¹⁹

1.	Issuer:	Standard Chartered Bank (Singapore) Limited
2.	Covered Bond Guarantor:	Banzu Covered Bonds Pte. Ltd.
3.	(i) Series Number:	[•]

¹⁹ To be included only if an offer in Singapore is made to investors other than accredited investors and institutional investors (each as defined under the SFA).

- (ii) Tranche Number: [•]
- (If fungible with an existing Series, details of that Series, including the date on which the Covered Bonds become fungible)*
4. Specified Currency or Currencies: [•]
5. Aggregate Nominal Amount: [•]
- (i) Series: [•]
- (ii) Tranche: [•]
6. (i) Issue Price: [•]% of the Aggregate Nominal Amount *[plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)]*
- (ii) [Estimated Net Proceeds: [•] *(Required only for certain listed issues)*]
7. (i) Specified Denominations: *If the Specified Denomination is expressed to be EUR 100,000 or its equivalent and multiples of a lower nominal amount (for example EUR 1,000), insert the following: "EUR 100,000 and integral multiples of [EUR 1,000] in excess thereof up to and including [EUR 199,000]. No Covered Bonds in definitive form will be issued with a denomination above [EUR 199,000]"*
- Covered Bonds (including Covered Bonds denominated in pound sterling) in respect of which the issue proceeds are to be accepted by the issuer in the UK or whose issue otherwise constitutes a contravention of Section 19 of the FSMA and which have a maturity of less than one year must have a minimum redemption value of GBP 100,000 (or its equivalent in other currencies)*
- (ii) Calculation Amount: [•]
- (iii) Trade Date: [•]
- (iv) Issue Date: [•]
8. Interest Commencement Date: *[Specify/Issue Date/Not Applicable]*
9. (i) Maturity Date: *[specify date or (for Floating Rate Covered Bonds) Interest Payment Date falling in or nearest to the relevant month and year/None]*
- (ii) Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee: *[specify date or (for Floating Rate Covered Bonds) Interest Payment Date falling on or nearest to the relevant month and year, in each case falling [one year] after the Maturity Date/None]*
- [In accordance with the Conditions and this Pricing Supplement, if the Issuer fails to pay the Final Redemption Amount of the relevant Series of Covered Bonds on the Maturity Date (subject to applicable grace periods) and if the Guaranteed Amounts equal to the Final Redemption Amount*

of the relevant Series of Covered Bonds are not paid in full by the date falling two Business Days after the expiry of 14 days starting on (and including) the Maturity Date (the "**Extension Determination Date**"), then payment of the unpaid amount pursuant to the Covered Bond Guarantee shall be automatically deferred (without a Covered Bond Guarantor Event of Default occurring as a result of such non-payment) and shall be due and payable on the Extended Due for Payment Date (subject to any applicable grace periods), all in accordance with the Conditions]

10. Interest Basis:

[•]% Fixed Rate [from [•] to [•]]

[(i) Period from [and][but] [including] [excluding]] the Issue Date up to [and] [but] [including] [excluding] the Maturity Date *[if an Extended Due for Payment Date is applicable]*

[specify reference rate] +/- [•]% Floating Rate

[from [•] to [•]]

[Zero Coupon]

[Other (specify)]

(further particulars specified below)

[(ii) Period from [and] [but] [including] [excluding] the Maturity Date up to [and] [but] [including] [excluding] the Extended Due for Payment Date *[if an Extended Due for Payment Date is applicable]*

[•]% Fixed Rate [from [•] to [•]]

[specify reference rate] +/- [•]% Floating Rate

[from [•] to [•]]

[Zero Coupon]

[Other (specify)]

(further particulars specified below)
11. Redemption/Payment Basis:

[Redemption at par] [Partly-paid] [Instalment]

[Other (specify)]
12. Change of Interest or Redemption:

[Specify details of any Payment Basis: provision for convertibility of Covered Bonds into another interest or redemption/payment basis]

[Add relevant fields per paragraphs 10, 11, 12, 18 and/or 19, as applicable, if an Extended Due for Payment Date is applicable]
13. Put/Call Options:

[Issuer Call] [(further particulars specified below)]
14. (i) Status of the Covered Bonds:

The Covered Bonds will constitute direct, unsecured and unsubordinated obligations of the Issuer

(ii) Status of the Covered Bond Guarantee:

The Covered Bond Guarantee is secured and unsubordinated
15. Listing:

[SGX-ST/(specify)/None]
16. Method of Distribution:

[Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

17. Fixed Rate Covered Bond Provisions: [Applicable/Not Applicable/Applicable from and including the [Issue Date/Interest Payment Date falling on [•] to but excluding the [Interest Payment Date falling on [•]/ Maturity Date] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
- (i) Rate[(s)] of Interest: [•]% per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (N.B. If an Extended Due for Payment Date is specified, interest following the Maturity Date will continue to accrue and be payable on any unpaid amount at a Rate of Interest determined in accordance with Condition 4 (Interest and other Calculations))*
- (ii) Interest Period: [Each period from and including the [Issue Date]/[Interest Payment Date falling on [•]] to (but excluding) the [subsequent Interest Payment Date falling on [•]/[Maturity Date]], except that the first Interest Period will commence on (and include) the [Issue Date]/[the Interest Payment Date falling on [•]] and the final Interest Period shall end (but exclude) the [Interest Payment Date falling on [•]]/[Maturity Date].]
- (iii) Interest Payment Date(s): [•] in each year [commencing on the [Issue Date/Interest Payment Date falling on [•] and ending on the [Interest Payment Date falling on [•]/Maturity Date, or the Extended Due for Payment Date, if applicable]] [adjusted in accordance with [specify Business Day Convention and any applicable Financial Centre(s) for the definition of "**Business Day**"/not adjusted]. **[(provided however that after the Extension Determination Date, the Interest Payment Date shall be monthly)]** (*N.B. After an Extension Determination Date, the Interest Payment Dates may be monthly.*)
- (iv) Business Day Convention: [Not Applicable/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)/not adjusted]
- (v) Fixed Coupon Amount[(s)]: [•] per Calculation Amount
- (For Renminbi or Hong Kong dollar denominated Fixed Rate Covered Bonds where the Interest Payment Dates are subject to modification, the following alternative wording is appropriate: "Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure, in the case of Renminbi denominated Fixed Rate Covered Bonds, to the nearest CNY 0.01, CNY 0.005 being rounded upwards or, in the case of*

Hong Kong dollar denominated Fixed Rate Covered Bonds, to the nearest HKD0.01, HKD0.005 being rounded upwards")

- (vi) Broken Amount(s): [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- [[•]] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]]
- (vii) Day Count Fraction: [30/360]/[360/360]/[Bond Basis]/Actual/Actual]
[Actual/Actual-
ISDA]/[Actual/365(Fixed)]/[Actual/360]/[30E/360]/[Eurobond Basis]/[30E/360
(ISDA)]/[Actual/Actual-ICMA]/[RBA Bond Basis]/[other]
- (viii) Determination Dates: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph.)*
- [[•] in each year (insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))]
- (ix) Other terms relating to the method of calculating interest for Fixed Rate Covered Bonds: [Not Applicable/give details]
18. Floating Rate Covered Bond Provisions: [Applicable/Not Applicable/Applicable from and including the [Issue Date/Interest Payment Date falling on or nearest to [•] to but excluding the [Interest Payment Date falling on or nearest to [•]/Maturity Date] (If not applicable, delete the remaining sub-paragraphs of this paragraph.)
- (i) Specified Period: [•]
- (ii) Interest Period(s): [Each period from and including the [Issue Date]/[Interest Payment Date falling on [•]] to (but excluding) the [subsequent Interest Payment Date falling on or nearest to [•]/[Maturity Date]], except that the first Interest Period will commence on (and include) the [Issue Date]/[the Interest Payment Date falling on [•]] and the final Interest Period shall end (but exclude) the [Interest Payment Date falling on or nearest to [•]/[Maturity Date]]
- (iii) Interest Payment Date(s): [•] in each [month]/[year] [commencing on the [Issue Date/Interest Payment Date falling on [•] and ending on the [Interest Payment Date falling on [•]/Maturity Date]] [adjusted in accordance with [specify Business Day Convention and any applicable Financial Centre(s) for the definition of "Business Day"/not adjusted] [(provided however that after the Extension Determination Date, the Interest Payment Date shall be monthly)]

(N.B. After an Extension Determination Date, the Interest Payment Dates may be monthly.)

- (iv) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)/not adjusted]
- (v) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/other (*give details*)]
- (vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the [Calculation Agent]): [•]
- (vii) Screen Rate Determination:
- Reference Bank: [•]
 - Reference Rate: EURIBOR/HIBOR/SONIA Benchmark/SOFR Benchmark/SORA Benchmark/Other (*give details*)
 - Interest Determination Date(s): [•]
 - Relevant Screen Page: [•]
 - Party responsible for calculation of Rate of Interest: [•] (*Specify where this is not the Calculation Agent*)
 - SONIA: [Applicable/Not Applicable]
 - SONIA Benchmark: [Compounded Daily SONIA/SONIA Index Average]
 - SONIA Observation Method: [Not Applicable/SONIA Observation Lag/ SONIA Observation Shift]
 - SONIA Observation Period: [[•] London Business Days]

(Only applicable in the case of SONIA Observation Lag or SONIA Observation Shift)
 - SONIA Compounded Index_{Start}: [Not Applicable/[•] London Business Day(s)]

(Only applicable in the case of SONIA Index Average)
 - SONIA Compounded Index_{End}: [Not Applicable/[•] London Business Day(s)]

(Only applicable in the case of SONIA Index Average)
 - SOFR: [Applicable/Not Applicable]
 - SOFR Benchmark: [Compounded Daily SOFR/SOFR Index Average]

- Calculation method for Compounded Daily SOFR: [Not Applicable/SOFR Observation Lag/ SOFR Observation Shift/SOFR Payment Delay] (*Only applicable where the Reference Rate is Compounded Daily SOFR*)
- Lookback Days: [Not Applicable/[•] U.S. Government Securities Business Day(s)]

(*Only applicable where the Reference Rate is Compounded Daily SOFR and the calculation method is SOFR Observation Lag*)
- SOFR Observation Shift Days: [Not Applicable/[•] U.S. Government Securities Business Day(s)]

(*Only applicable where the Reference Rate is Compounded Daily SOFR and the calculation method is SOFR Observation Shift*)
- SOFR Rate Cut-Off Date: [Not Applicable/The day that is the [[•]] U.S. Government Securities Business Day prior to the Interest Payment Date in relation to the relevant Interest Accrual Period]

(*Only applicable in the case of SOFR Payment Delay*)
- Interest Payment Delay: [Not Applicable/[•] U.S. Government Securities Business Day(s)]

(*Only applicable where the Reference Rate is Compounded Daily SOFR and the calculation method is SOFR Payment Delay*)
- SOFR Index_{Start}: [Not Applicable/[•] U.S. Government Securities Business Day(s)]

(*Only applicable in the case of SOFR Index Average*)
- SOFR Index_{End}: [Not Applicable/[•] U.S. Government Securities Business Day(s)]

(*Only applicable in the case of SOFR Index Average*)
- SORA: [Applicable/Not Applicable]
 - SORA Benchmark: [Compounded Daily SORA/SORA Index Average]
 - Calculation method for Compounded Daily SORA: [Not Applicable/SORA Lookback/SORA Backward Shifted Observation Period/SORA Payment Delay] (*Only applicable where the Reference Rate is Compounded Daily SORA*)
 - SORA [Observation Period]/[Interest Payment Delay]: [Not Applicable/[•] Singapore Business Day(s)]

(Only applicable where the Reference Rate is Compounded Daily SORA)

- SORA Rate Cut-Off Date: [Not Applicable/The day that is [•] Singapore Business Day(s) prior to the Interest Payment Date in relation to the relevant Interest Period]

(Only applicable in the case of SORA Payment Delay)

- SORA Index_{Start}: [Not Applicable/[•] Singapore Business Day(s)]

(Only applicable in the case of SORA Index Average)

- SORA Index_{End}: [Not Applicable/[•] Singapore Business Day(s)]

(Only applicable in the case of SORA Index Average)

(viii) ISDA Determination:

- Floating Rate Option: [GBP-SONIA/USD-SOFR/SGD-SORA/[•]]
- Designated Maturity: [[•]/Not Applicable] *(Not Applicable for Overnight Floating Rate Options such as GBP-SONIA, USD-SOFR and SGD-SORA)*
- Reset Date: [•]
- Compounding: [Applicable/Not Applicable] *(Only applicable where the Floating Rate Option is GBP-SONIA, USD-SOFR, SGD-SORA or other Overnight Floating Rate Option)*
- Overnight Rate Compounding Method: [Compounding with Lookback/Compounding with Observation Period Shift/Compounding with Lockout/Not Applicable]
- Lookback: [[•] Applicable Business Days/Not Applicable]
- Observation Period Shift: [[•] Observation Period Shift Business Days/ Not Applicable]
- Observation Period Shift Additional Business Days: [[•]/Not Applicable] *(This is in reference to any additional financial centre(s) that should be factored in the determination of Observation Period beyond the standard financial centre(s) that is/are applicable for the selected Floating Rate Option per Floating Rate Matrix. For USD-SOFR, the default is U.S. Government Securities Business Day only, for GBP-SONIA the default is London Business Day only, for SGD-SORA, the default is Singapore Business Day only)*
- Lockout: [[•] Lockout Period Business Days/Not Applicable]
- Lockout Period Business Days: [[•]/Not Applicable] *(Specify the financial centre(s) for the purposes of the Lockout Business Days. If none are specified and Not Applicable is selected, the Lockout Business Days will be the*

Applicable Business Days (i.e. the rate business days))

- (ix) Margin(s): [+/ -] [•] % per annum
 - (x) Minimum Rate of Interest: [•] % per annum
 - (xi) Maximum Rate of Interest: [•] % per annum
 - (xii) Day Count Fraction:
$$\frac{[30/360]/[360/360]/[\text{Bond Basis}]/\text{Actual}/\text{Actual}}{[\text{Actual}/\text{Actual-ISDA}]/[\text{Actual}/365(\text{Fixed})]/[\text{Actual}/360]/[30\text{E}/360]/[\text{Eurobond Basis}]/[30\text{E}/360(\text{ISDA})]/[\text{Actual}/\text{Actual-ICMA}]/[\text{RBA Bond Basis}]/[\text{other}]}$$
 - (xiii) Rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Covered Bonds, if different from those set out in the Conditions: [•]
 - (xiv) Fallback provisions [Benchmark Discontinuation (General) (Condition 4(j)(i))/Benchmark Discontinuation (SOFR) (Condition 4(j)(ii))/ Benchmark Discontinuation (SORA) (Condition 4(j)(iii))]/specify other if different from those set out in the Conditions]
19. Zero Coupon Covered Bond Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Amortisation Yield: [•] % per annum
 - (ii) Any other formula/basis of determining amount payable: [•]

PROVISIONS RELATING TO REDEMPTION

20. Call Option: [Applicable/Not Applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [•]
 - (ii) Optional Redemption Amount(s) of each Covered Bond and specified denomination method, if any, of calculation of such amount(s): [•] per Calculation Amount
 - (iii) If redeemable in part:
 - Minimum Redemption Amount: [•] per Calculation Amount
 - Maximum Redemption Amount: [•] per Calculation Amount

- (iv) Notice period: [•]
21. Final Redemption Amount of each Covered Bond: [•] per Calculation Amount
22. Early Redemption Amount Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions): [•]

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

23. Form of Covered Bonds:

Bearer Covered Bonds:

[Temporary Global Covered Bond exchangeable for a Permanent Global Covered Bond which is exchangeable for Definitive Covered Bonds in the limited circumstances specified in the Permanent Global Covered Bond] [Temporary Global Covered Bond exchangeable for Definitive Covered Bonds on [?] days' notice] [Permanent Global Covered Bond exchangeable for Definitive Covered Bonds in the limited circumstances specified in the Permanent Global Covered Bond] *(N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Covered Bonds in paragraph 7 includes language substantially to the following effect: "EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000." Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Covered Bonds which is to be represented on issue by a Temporary Global Covered Bond exchangeable for Definitive Covered Bonds.)*

Registered Covered Bonds:

[Regulation S Global Covered Bond (USD/EUR[[•]]) nominal amount) registered in the name of a nominee for [DTC/a common depository for Euroclear and Clearstream]] [Rule 144A Global Covered Bond (USD[[•]]) nominal amount) registered in the name of a nominee for DTC/a common depository for Euroclear and Clearstream]

24. Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable/give details.]

[Financial Centre[s] are:

- a) [repeat the details of the Financial Centre(s) as per above if applicable];
[and]
- b) [New York City] / [T2 Business Day] /
[Hong Kong] / [London] / [Singapore].]

[Note: for EU/UK regulated market listings, parties may wish to double check with the listing agent that the above wording in the final terms will be acceptable to the regulator from a Prospectus Regulation/UK Prospectus Regime perspective]

[Note that this paragraph relates to the date and place of payment (insert New York City for U.S. dollar denominated Covered Bonds to be held through DTC and for non-U.S. dollar denominated Covered Bonds where exchange into U.S. dollars is contemplated for DTC participants holding through Euroclear and Clearstream)]

25.	Talons for future Coupons or Receipts to be attached to Definitive Covered Bonds (and dates on which such Talons mature):	[Applicable/Not Applicable. <i>If Applicable, give details</i>]
26.	Details relating to Partly-paid Covered Bonds: 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 Covered Bonds and interest due on late payment:	[Not Applicable/ <i>give details</i>]
27.	Details relating to Instalment Covered Bonds: amount of each instalment (" Instalment Amount "), date on which each payment is to be made (" Instalment Date "):	[Not Applicable/ <i>give details</i>]
28.	Other terms or special conditions:	[Not Applicable/ <i>give details</i>]

DISTRIBUTION

29.	(i) If syndicated, names of Managers:	[Not Applicable/ <i>give names</i>]
		[The Issuer or any of its broker-dealers or other affiliates may engage in market-making transactions involving the Covered Bonds after their initial sale as permitted by applicable law, but none of the Issuer, any of its broker-dealer or its affiliates is obligated to do so or to make a market for the Covered Bonds]
	(ii) Stabilisation Coordinator (if any):	[Not Applicable/ <i>give name</i>]
30.	If non-syndicated, name of Dealer:	[Not Applicable/ <i>give name</i>]
		[The Issuer or any of its broker-dealers or other affiliates may engage in market-making transactions involving the Covered Bonds after their initial sale as permitted by applicable law, but none of the Issuer, any of its broker-dealer or its affiliates is obligated to do so or to make a market for the Covered Bonds]

31. Whether TEFRA D or TEFRA C was applicable or TEFRA rules not applicable: [TEFRA D/TEFRA C/TEFRA Not Applicable]
- (TEFRA not applicable for Bearer Covered Bonds with a maturity of one year or less or Registered Covered Bonds)*
- (Where TEFRA D is applicable, a Bearer Covered Bond must be issued in the form of a temporary Global Covered Bond exchangeable upon a U.S. tax certification for a Permanent Global Covered Bond or a Definitive Covered Bond)*
32. ERISA Eligibility [Yes]/[No]
33. Prohibition of Sales to EEA Retail Investors: [Applicable/Not Applicable]
34. Prohibition of Sales to UK Retail Investors: [Applicable/Not Applicable]
35. Additional Selling Restrictions: [Not Applicable/give details]

HONG KONG SFC CODE OF CONDUCT

36. (i) Rebates [A rebate of [•] bps is being offered by the Issuer to all private banks for orders they place (other than in relation to Covered Bonds subscribed by such private banks as principal whereby it is deploying its own balance sheet for onward selling to investors), payable upon closing of this offering based on the principal amount of the Covered Bonds distributed by such private banks to investors. Private banks are deemed to be placing an order on a principal basis unless they inform the CMIs otherwise. As a result, private banks placing an order on a principal basis (including those deemed as placing an order as principal) will not be entitled to, and will not be paid, the rebate.]/[Not Applicable]
- (ii) Contact email addresses of the Overall Coordinators where underlying investor information in relation to omnibus orders should be sent: [Include relevant contact email addresses of the Overall Coordinators where the underlying investor information should be sent – OCs to provide]/[Not Applicable]
- (iii) Marketing and Targeting Strategy Investor [As indicated in the programme Offering Memorandum] OR [Describe if different from the programme Offering Memorandum]

OPERATIONAL INFORMATION

37. ISIN Code: [•]
38. Common Code: [•]
39. CUSIP: [•]
40. Legal Entity Identifier (LEI): [549300MDYVVHJ8D1DW28 (in the case of Standard Chartered Bank (Singapore) Limited,

acting through its registered office in Singapore)]/[•]

41. Any clearing system(s) other than Euroclear Bank SA/N.V. and Clearstream Banking S.A. and/or DTC and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]

42. Delivery: Delivery [against/free of] payment

43. Additional Paying Agent(s) (if any): [•]

GENERAL

44. Applicable Governing Document: [Amended and Restated Bond Trust Deed dated 7 April 2026]

45. Governing Law: [English law save that defined terms incorporated by reference from the Amended and Restated Master Definitions Agreement dated 7 April 2026 shall be governed by and construed in accordance with Singapore law]

[It is expected that delivery of Covered Bonds will be made against payment therefor on the Issue Date, which will be more than one business day following the date of pricing. Under Rule 15c6-1 of the U.S. Securities and Exchange Commission under the Exchange Act, trades in the United States secondary market generally are required to settle within one business day (T+1), unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Covered Bonds in the United States on the date of pricing or the next succeeding business day until the relevant Issue Date will be required, by virtue of the fact that the Covered Bonds initially will settle beyond T+1, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Covered Bonds may be affected by such local settlement practices and purchasers of Covered Bonds who wish to trade Covered Bonds between the date of pricing and the Issue Date should consult their own adviser.]

[PURPOSE OF THE PRICING SUPPLEMENT

This Pricing Supplement comprises the final terms required for issue *[[if listed]*, and admission to trading on the Singapore Exchange Securities Trading Limited] of the Covered Bonds described herein pursuant to the USD5,000,000,000 Global Covered Bond Programme of Standard Chartered Bank (Singapore) Limited]

RESPONSIBILITY

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

Signed on behalf of Standard Chartered Bank
(Singapore) Limited:

By:

Duly authorised

[SCHEDULE TO THE PRICING SUPPLEMENT]

Statistical Information Relating to the Portfolio

[The statistical and other information contained in this section has been compiled by reference to the Loans comprised in the Portfolio as at [●] (the "Cut-off Date"). Except as otherwise indicated, these tables have been prepared using the Principal Balance as at the Cut-off Date and may no longer be a true reflection of the Loans comprised in the Portfolio. The following information does [not] include any Loans sold into the Portfolio since the Cut-off Date, including any sale in connection with this Series [●] issuance and it does not reflect any redemption or sales out of the Portfolio since the Cut-off Date.]

The characteristics of the Loans comprised in the Portfolio as at the relevant Issue Date are not expected to differ materially from the characteristics of the Loans comprised in the Portfolio as at the Cut-off Date; however, it should be noted that Loans may be removed from the Portfolio in the event that any such Loans do not comply with the terms of the Mortgage Sale Agreement or Declaration of Assets Trust on the relevant Closing Date. The Seller may also choose, in certain circumstances, to repurchase any of the Non-CPF Loans in accordance with the terms of the Mortgage Sale Agreement or accept surrender of Trust Assets relating to any of the CPF Loans in accordance with the terms of the Declaration of Assets Trust. Additionally, New Loans may be sold into the Portfolio from time to time. Any such sales will be made in accordance with the Mortgage Sale Agreement or Declaration of Assets Trust and subject to compliance with the Eligibility Criteria and the Representations and Warranties. This information is provided for information purposes only.

The tables below show details of the Loans included in the Portfolio, and stratify the Portfolio by reference to a Loan. Columns stating percentage amounts may not add up to 100 per cent. due to rounding.

1. Summary

[●]

2. Outstanding Loan Principal Balance

[●]

3. Loan to Unindexed Valuation Ratio

[●]

4. Loan to Indexed Valuation Ratio

[●]

5. Seasoning

[●]

6. Remaining Tenor

[●]

7. Interest Rate Category

[●]

8. Property Type

[●]

9. Occupancy Type

[●]

10. NPL

[●]

TRANSFER RESTRICTIONS

Restricted Covered Bonds

Each purchaser of Restricted Covered Bonds within the United States pursuant to Rule 144A, by accepting delivery of this Offering Memorandum, will be deemed to have represented, agreed and acknowledged that:

- (i) it is:
 - (a) a QIB;
 - (b) acquiring such Restricted Covered Bonds for its own account or for the account of a QIB; and
 - (c) aware, and each beneficial owner of such Restricted Covered Bonds has been advised, that the sale of such Restricted Covered Bonds to it may be being made in reliance on Rule 144A;
- (ii) it understands that the Restricted Covered Bonds and the Covered Bond Guarantee have not been and will not be registered under the Securities Act and any other applicable U.S. state securities laws and:
 - (a) may not be offered, sold, pledged or otherwise transferred except:
 - (A) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or for the account of a QIB;
 - (B) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S; or
 - (C) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), in each case in accordance with any applicable securities laws of any State of the United States;
 - (b) the purchaser will, and each subsequent purchaser is required to, notify any subsequent purchaser of such Restricted Covered Bonds from it of the resale restrictions referred to in (a) above; and
 - (c) no representation can be made as to the availability of the exemption provided by Rule 144 under the Securities Act for resale of the Restricted Covered Bonds. If it is a person other than a person outside the United States, it agrees that if it should resell or otherwise transfer the Restricted Covered Bonds, it will do so only:
 - (A) to the Issuer or any of its respective affiliates;
 - (B) inside the United States to a QIB in compliance with Rule 144A;
 - (C) outside the United States in compliance with Rules 903 or 904 under the Securities Act;
 - (D) pursuant to the exemption from registration provided by Rule 144 under the Securities Act (if available); or
 - (E) pursuant to an effective registration statement under the Securities Act;
- (iii) it understands that such Restricted Covered Bonds, unless the Issuer determines otherwise in compliance with applicable law, will bear a legend to the following effect:

THE COVERED BONDS IN RESPECT OF WHICH THIS CERTIFICATE IS ISSUED (THE "**COVERED BONDS**") AND THE COVERED BOND GUARANTEE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR WITH ANY SECURITIES REGULATORY AUTHORITY

OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, OR TO, OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT) EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**") TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A (A "**QIB**") THAT IS ACQUIRING THE COVERED BONDS FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIBS, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR 904 OF REGULATIONS UNDER THE SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER RULE 144 UNDER THE SECURITIES ACT ("**RULE 144**"), IF AVAILABLE, OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 FOR RESALES OF THE COVERED BONDS;

- (iv) it understands that any Restricted Covered Bonds, unless the Issuer determines otherwise in compliance with applicable law or the applicable Pricing Supplement specifies that the relevant Covered Bonds are not ERISA eligible, will bear a legend to the following effect:

EACH PURCHASER OR SUBSEQUENT TRANSFEREE OF THIS COVERED BOND (OR ANY INTEREST HEREIN) WILL BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT, AT THE TIME OF ITS ACQUISITION AND THROUGHOUT THE PERIOD IT HOLDS SUCH COVERED BOND (OR ANY INTEREST HEREIN), EITHER: (X) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, (1) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (2) A "PLAN" AS DEFINED IN SECTION 4975(e)(1) OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), THAT IS SUBJECT TO SECTION 4975 OF THE CODE, (3) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF INVESTMENT BY SUCH EMPLOYEE BENEFIT PLAN OR PLAN IN THE ENTITY OR OTHERWISE FOR THE PURPOSES OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA OR SECTION 4975 OF THE CODE (EACH OF (1)-(3), A "**BENEFIT PLAN INVESTOR**") OR (4) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN THAT IS SUBJECT TO ANY U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT CONTAINS ONE OR MORE PROVISIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"); OR (Y) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS COVERED BOND (OR ANY INTEREST HEREIN) DO NOT AND WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN, A VIOLATION OF ANY APPLICABLE SIMILAR LAW). ANY PURPORTED TRANSFER OF THIS COVERED BOND (OR ANY INTEREST HEREIN) TO A PURCHASER OR TRANSFEREE THAT DOES NOT COMPLY WITH THE ABOVE REQUIREMENTS WILL BE OF NO FORCE AND EFFECT AND SHALL BE NULL AND VOID *AB INITIO*;

- (v) unless the Issuer determines otherwise in compliance with applicable law or the applicable Pricing Supplement specifies that the relevant Covered Bonds are not ERISA eligible, either:
 - (a) it is not, and is not acting on behalf of, a Plan or a governmental, church or non-U.S. plan that is subject to any Similar Law; or
 - (b) its acquisition, holding and disposition of a Covered Bond (or any interest therein) does not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of a governmental, church or non-U.S. plan, a violation of any applicable Similar Law);

- (vi) any purported transfer of a Covered Bond (or any interest therein) to a purchaser or transferee that does not comply with the above requirements will be of no force and effect and shall be null and void *ab initio*;
- (vii) it understands that the Restricted Covered Bond offered in reliance on Rule 144A will be represented by a Restricted Global Certificate. Before any interest in the Restricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Unrestricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws; and
- (viii) it acknowledges that the Issuer, the Registrar, any Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Restricted Covered Bonds for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Prospective purchasers are hereby notified that sellers of the Covered Bonds may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

Additional transfer restrictions may be set forth in the applicable Pricing Supplement with respect to a particular Tranche of a Registered Series.

Unrestricted Covered Bonds

Each purchaser of Unrestricted Covered Bonds outside the United States pursuant to Regulation S and each subsequent purchaser of such Unrestricted Covered Bonds in resales prior to the expiration of the distribution compliance period (as defined in Regulation S), by accepting delivery of this Offering Memorandum and the Unrestricted Covered Bonds, will be deemed to have represented, agreed and acknowledged that:

- (i) it is, or at the time the Unrestricted Covered Bonds are purchased will be, the beneficial owner of such Unrestricted Covered Bonds and:
 - (a) it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S); and
 - (b) it is not an affiliate of the Issuer or a person acting on behalf of such an affiliate;
- (ii) it understands that such Unrestricted Covered Bonds have not been and will not be registered under the Securities Act and that, prior to the expiration of the distribution compliance period, it will not offer, sell, pledge or otherwise transfer such Unrestricted Covered Bonds except:
 - (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or the account of a QIB; or
 - (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any State of the United States;
- (iii) it understands that the Unrestricted Covered Bonds, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend to the following effect:

THE COVERED BONDS IN RESPECT OF WHICH THIS UNRESTRICTED GLOBAL CERTIFICATE IS ISSUED (THE "**COVERED BONDS**") AND THE COVERED BOND GUARANTEE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, OR TO, OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN REGULATION S UNDER

THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT;

- (iv) it understands that any Covered Bonds, unless the Issuer determines otherwise in compliance with applicable law or the applicable Pricing Supplement specifies that the relevant Covered Bonds are not ERISA eligible, will bear a legend to the following effect:

EACH PURCHASER OR SUBSEQUENT TRANSFEREE OF THIS COVERED BOND (OR ANY INTEREST HEREIN) WILL BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT, AT THE TIME OF ITS ACQUISITION AND THROUGHOUT THE PERIOD IT HOLDS SUCH COVERED BOND (OR ANY INTEREST HEREIN), EITHER: (X) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, (1) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), THAT IS SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (2) A "PLAN" AS DEFINED IN SECTION 4975(e)(1) OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), THAT IS SUBJECT TO SECTION 4975 OF THE CODE, (3) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF INVESTMENT BY SUCH EMPLOYEE BENEFIT PLAN OR PLAN IN THE ENTITY OR OTHERWISE FOR THE PURPOSES OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA OR SECTION 4975 OF THE CODE (EACH OF (1)-(3), A "**BENEFIT PLAN INVESTOR**") OR (4) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN THAT IS SUBJECT TO ANY U.S. FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT CONTAINS ONE OR MORE PROVISIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"); OR (Y) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS COVERED BOND (OR ANY INTEREST HEREIN) DO NOT AND WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, IN THE CASE OF A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN, A VIOLATION OF ANY APPLICABLE SIMILAR LAW). ANY PURPORTED TRANSFER OF THIS COVERED BOND (OR ANY INTEREST HEREIN) TO A PURCHASER OR TRANSFEREE THAT DOES NOT COMPLY WITH THE ABOVE REQUIREMENTS WILL BE OF NO FORCE AND EFFECT AND SHALL BE NULL AND VOID *AB INITIO*;

- (v) unless the Issuer determines otherwise in compliance with applicable law or the applicable Pricing Supplement specifies that the relevant Covered Bonds are not ERISA eligible, either:
 - (a) it is not, and is not acting on behalf of, a Plan or a governmental, church or non-U.S. plan that is subject to any Similar Law; or
 - (b) its acquisition, holding and disposition of a Covered Bond (or any interest therein) does not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of a governmental, church or non-U.S. plan, a violation of any applicable Similar Law);
- (vi) any purported transfer of a Covered Bond (or any interest therein) to a purchaser or transferee that does not comply with the above requirements will be of no force and effect and shall be null and void *ab initio*;
- (vii) it understands that the Unrestricted Covered Bonds offered in reliance on Regulation S may be represented by an Unrestricted Global Certificate. Prior to the expiration of the distribution compliance period, before any interest in the Unrestricted Global Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Restricted Global Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws; and
- (viii) the Issuer, the Registrar, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Additional transfer restrictions may be set forth in the applicable Pricing Supplement with respect to a particular Tranche of a Registered Series.

LEGAL MATTERS

Legal matters in connection with the issue and sale of the Covered Bonds offered hereby will be passed upon for SCBSL:

- (i) by Allen & Gledhill LLP, legal adviser to SCBSL, with respect to certain matters of Singapore law; and
- (ii) by Clifford Chance LLP and Clifford Chance Pte. Ltd., legal advisers to SCBSL, with respect to certain matters of English law and the federal laws of the United States.

The Sole Arranger and the Programme Dealers being represented by Allen Overy Shearman Sterling LLP as to certain matters of English law, the federal securities laws of the United States and Singapore law.

INDEPENDENT AUDITORS

The consolidated financial statements of the SCBSL Group as at and for the years ended 31 December 2025 and 2024 which are set forth beginning on page F-2 and F-192 of this Offering Memorandum have been audited by Ernst & Young LLP, independent auditors, as stated in their reports for the years ended 31 December 2025 and 2024 included on pages F-6 and F-196, respectively.

GENERAL INFORMATION

1. Application may be made to the SGX-ST for permission to deal in, and for quotation of, any Covered Bonds which are agreed at the time of issue to be listed on the SGX-ST. There can be no assurance that an application to the SGX-ST will be approved.
2. The Issuer has obtained all necessary consents, approvals and authorisations in Singapore in connection with the issue and performance of the Covered Bonds to be issued by it. The establishment of the Programme was approved by the board of directors of the Issuer on 29 February 2024.
3. There has been no material adverse change in the financial position of the SCBSL Group since 31 December 2025.
4. The SCBSL Group is not, and has not been, involved in any litigation or arbitration proceedings that may have, or have had during the 12 months preceding the date of this Offering Memorandum, a material adverse effect on the financial position of the SCBSL Group and as of the date of this Offering Memorandum, the SCBSL Group is not aware of any such litigation or arbitration either pending or threatened.
5. Each Bearer Covered Bond, Receipt, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".
6. Covered Bonds have been accepted for clearance through the Euroclear and Clearstream systems (which are entities in charge of keeping the records). The Issuer may also apply to have Covered Bonds accepted for clearance through the CMU and CDP. The relevant CMU Instrument Number will be set out in the applicable Pricing Supplement. The Common Code and the International Securities Identification Number (ISIN) for each Series of Covered Bonds will be set out in the applicable Pricing Supplement. In addition, the Issuer will make an application with respect to each Series of Registered Covered Bonds intended to be eligible for sale pursuant to Rule 144A for such Covered Bonds to be accepted for trading in book entry form by DTC. Acceptance of each Series and the relevant Committee on the Uniform Security Identification Procedure (CUSIP) number applicable to a Series will be set out in the applicable Pricing Supplement.
7. The Legal Entity Identifier (LEI) of Standard Chartered Bank (Singapore) Limited is 549300MDYVVHJ8D1DW28 or as otherwise as set out in the applicable Pricing Supplement.
8. The issue price and the amount of the relevant Covered Bonds will be determined based on then prevailing market conditions before filing of the applicable Pricing Supplement of each Tranche with the SGX-ST (with respect to Covered Bonds listed on the SGX-ST). The Issuer does not intend to provide any post-issuance information in relation to any issues of Covered Bonds.
9. From the date of this Offering Memorandum and for so long as any Covered Bonds are outstanding under the Programme, upon prior written request and satisfactory proof of holding, the following documents will be available, during usual business hours (being 10 am to 3 pm) on any weekday (Saturdays and public holidays excepted) from the registered office of the Issuer:
 - (i) the Bond Trust Deed;
 - (ii) the Agency Agreement;
 - (iii) the forms of the Global Covered Bonds, the Definitive Covered Bonds, the Receipts, the Coupons and the Talons;
 - (iv) the audited consolidated financial statements of the SCBSL Group for the years ended 31 December 2025 and 31 December 2024;
 - (v) any audited consolidated financial statements of the SCBSL Group which are published after the date of this Offering Memorandum;

- (vi) each Pricing Supplement (save that each Pricing Supplement relating to a Covered Bond which is not listed on a stock exchange will only be available for inspection by a holder of such Covered Bond and such holder must provide evidence satisfactory to the Bond Trustee as to its holding and its identity); and
- (vii) a copy of this Offering Memorandum or any further Offering Memorandum and any supplementary Offering Memorandum or other document that supplements to the Programme.

In addition, from the date of this Offering Memorandum and for so long as any Covered Bonds are outstanding under the Programme, upon prior written request and satisfactory proof of holding, documents listed (i), (ii), (iii), (vi) and (vii) will be available, during usual business hours (being 10 am to 3 pm) on any weekday (Saturdays and public holidays excepted) from (i) the registered office of the Bond Trustee or (ii) available to Covered Bondholders via email.

10. From the date of this Offering Memorandum and for so long as any Covered Bonds are outstanding under the Programme, upon prior written request and satisfactory proof of holding, copies of the latest annual report and financial statements of the SCBSL Group will be available, during usual business hours (being 10 am to 3 pm) on any weekday (Saturdays and public holidays excepted) from (i) the specified offices of each of the Paying Agents or (ii) available to Covered Bondholders via email.

GLOSSARY

Account Bank	SCBSL or such other replacement bank or financial institution with the Account Bank Required Ratings;
Account Bank Required Ratings	In respect of the Account Bank, a short-term unsecured and unsubordinated debt obligation rating that is at least A-1 from S&P and a long-term unsecured and unsubordinated debt obligation rating that is at least A from S&P and Baa3 from Moody's or such other lower rating as is expected by Moody's or, as the case may be, S&P to maintain the then current rating of the Covered Bonds;
Accounting Reference Date	In each year: (a) in respect of the Seller, 31 December; (b) in respect of the Issuer, 31 December; and (c) in respect of the Covered Bond Guarantor, 31 December;
Accrual Period	The relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date;
Accrued Interest	In respect of a Loan as at any date the aggregate of all interest accrued but not yet due and payable on the Loan from (and including) the Monthly Payment Date immediately preceding the relevant date to (but excluding) the relevant date;
Accrued Payments Ledger	The ledger on the Transaction Account of such name maintained by the Cash Manager pursuant to the Cash Management Agreement, to record the credits and debits of certain Available Revenue Receipts and certain Available Principal Receipts set aside and retained, and which would otherwise be distributed to <i>inter alios</i> , the Intercompany Loan Provider and the Subordinated Loan Provider, in accordance with the terms of the Establishment Deed;
Additional Contribution	The contribution payable by the CBG Beneficiary to the Assets Trustee (i) for the purchase from the Seller of Trust Assets (which shall form part of the relevant New Portfolio) on each Closing Date after the First Closing Date which shall be equal to the Principal Balance as at the Cut-off Date of the CPF Loans constituting such Trust Assets sold on the relevant Closing Date and funded in accordance with the Declaration of Assets Trust or (ii) on each CBG Payment Date which shall be equal to any increase in the Principal Balance of any CPF Loans or increase in the outstanding principal balance in any Top-up Loans in the Portfolio;
Adjusted Aggregate Loan Amount	The meaning given in the section " <i>Summary of the Principal Documents – Establishment Deed – Asset Coverage Test</i> ";
Adjusted Required Redemption Amount	The meaning given in the section " <i>Summary of the Principal Documents – Establishment Deed – Right of Pre-emption</i> ";
Advance	An amount advanced, or to be advanced, by the Intercompany Loan Provider to the Covered Bond Guarantor under the Intercompany Loan Agreement, including Deemed Advances;
Affected BB Loan	a Loan in the Portfolio where a BB Facility Mortgage is granted over the Property (which is already subject to a Mortgage) in respect of such Loan;

Agency Agreement	The amended and restated agency agreement dated 7 April 2026 (as amended, restated, supplemented or novated from time to time) and made among the Issuer, the Covered Bond Guarantor, the Bond Trustee, the Security Trustee, the Issuing and Paying Agent and the other agents named therein;
Agent	Each of the Paying Agents, the Registrar, the Exchange Agents, the Calculation Agents and the Transfer Agents or any of them and shall include such other Agent or Agents as may be appointed from time to time under the Agency Agreement (including, without limitation, any such agents appointed in accordance with the terms of the Agency Agreement);
All Monies Beneficiaries	The meaning given in the section " <i>Summary of the Principal Documents – All Monies Mortgages and the CBG Declaration of Trusts</i> ";
All Monies Mortgage	A Mortgage that secures or purports to secure the repayment of a Loan (and/or any related Top-up Loans) as well as any Associated Debt extended by the Seller to the Borrower or the Mortgagor (as the case may be);
All Monies Trust	The separate trust of each All Monies Mortgage (and other All Monies Trust Property representing, derived from or relating to that All Monies Mortgage) declared by the All Monies Trustee in favour of the All Monies Beneficiaries pursuant to the CBG Declaration of Trusts;
All Monies Trust Property	The meaning given in the section " <i>Summary of the Principal Documents – All Monies Mortgages and the CBG Declaration of Trusts</i> ";
All Monies Trustee	The Covered Bond Guarantor in its capacity as trustee of an All Monies Trust;
Amortisation Test	The test as to whether the Amortisation Test Aggregate Loan Amount is at least equal to the SGD Equivalent of the aggregate outstanding nominal amount of the Covered Bonds as calculated on or before the relevant Test Date as of the immediately preceding Calculation Date;
Amortisation Test Aggregate Loan Amount	The meaning given in the section " <i>Summary of the Principal Documents – Establishment Deed – Amortisation Test</i> ";
Ancillary Intercompany Loan	The aggregate outstanding principal amount of the Deemed Ancillary Intercompany Loan Advances made pursuant to the Ancillary Intercompany Loan Agreement;
Ancillary Intercompany Loan Agreement	The ancillary intercompany loan agreement dated 7 April 2026 (as amended, restated, supplemented or novated from time to time) and made between the Ancillary Intercompany Loan Provider, the Covered Bond Guarantor, the CBG Beneficiary, the Assets Trustee, the Cash Manager and the Security Trustee;
Ancillary Intercompany Loan Ledger	The ledger of such name maintained by the Cash Manager pursuant to the Cash Management Agreement to record all payments of interest and repayments of principal on each of the Deemed Ancillary Intercompany Loan Advances;
Ancillary Intercompany Loan Provider	SCBSL;
Arrears of Interest	As at any date in respect of any Loan, interest (other than Capitalised Interest or Accrued Interest) on that Loan which is currently due and payable and unpaid on that date;

Asian Currency Unit or ACU	An operational unit that has been approved by the MAS to operate in the Asian dollar market subject to such conditions as the MAS may determine;
Asset Coverage Test	The test as to whether the Adjusted Aggregate Loan Amount is at least equal to the SGD Equivalent of the aggregate outstanding nominal amount of the Covered Bonds as calculated on or before the relevant Test Date as of the immediately preceding Calculation Date;
Asset Coverage Test Breach Notice	The notice required to be served by the Bond Trustee if the Asset Coverage Test has not been met on two consecutive Calculation Dates (subject to the Bond Trustee having actual knowledge or express notice of the same);
Asset Monitor	PricewaterhouseCoopers LLP, whose registered office is at 7 Straits View, Marina One, East Tower, Level 12, Singapore 018936 (or such other replacement Asset Monitor appointed from time to time) appointed in accordance with the terms of the Asset Monitor Agreement as an independent monitor to perform tests in respect of the Asset Coverage Test and the Amortisation Test when required;
Asset Monitor Agreement	The asset monitor agreement dated 7 April 2026 (as amended, restated, supplemented or novated from time to time) and made between the Asset Monitor, the Covered Bond Guarantor, the CBG Beneficiary, the Cash Manager, the Issuer, the Seller, the Assets Trustee, the Bond Trustee and the Security Trustee;
Asset Monitor Report	The results of the tests conducted by the Asset Monitor in accordance with the Asset Monitor Agreement to be delivered to each party to the Asset Monitor Agreement and the Servicer;
Asset Percentage	The meaning given in the section " <i>Summary of the Principal Documents – Establishment Deed – Asset Coverage Test</i> ";
Asset Percentage Adjusted Principal Balance	The meaning given in the section " <i>Summary of the Principal Documents – Establishment Deed – Asset Coverage Test</i> ";
Asset Pool	All assets of the Covered Bond Guarantor from time to time, including, but not limited to, the Portfolio, any Authorised Investments, any Substitution Assets, the rights of the Covered Bond Guarantor in the Transaction Documents, the Transaction Account and all amounts standing to the credit thereto and any other asset falling within the definition of "cover pool" in MAS Notice 648 other than any Swap Collateral, Top-up Loans or Associated Debt (if applicable) which, for the avoidance of doubt, shall not be recorded as forming part of the Asset Pool;
Asset Registers	The registers maintained by the Servicer and the Cash Manager in respect of: (a) assets in the cover pool (as defined in MAS Notice 648) of the Covered Bond Guarantor and the CBG Beneficiary (including, for the avoidance of doubt, its interest in the Assets Trust); and (b) other assets of the Covered Bond Guarantor and the CBG Beneficiary securing the liabilities of the Covered Bond Guarantor and the CBG Beneficiary to the Secured Creditors,
Assets Trust	The meaning given in the section " <i>Summary of the Principal Documents – All Monies Mortgages and the CBG Declaration of Trusts</i> "; and provisions of the Declaration of Assets Trust;

Assets Trust Ledger	The ledger on the Transaction Account of such name maintained by the Cash Manager pursuant to the Cash Management Agreement, to record all credits and debits of Available Revenue Receipts, Available Principal Receipts and Deferred Contribution Consideration in respect of CPF Loans in the Portfolio;
Assets Trustee	SCBSL, as trustee of the Assets Trust;
Assets Trustee Power of Attorney	The power of attorney made by the Assets Trustee in favour of the CBG Beneficiary and the Security Trustee in accordance with the Declaration of Assets Trust;
Associated Debt	The indebtedness which (i) a Borrower or a Mortgagor (as the case may be), owes or may owe to the Seller from time to time which is secured on the same Mortgage securing a Loan granted by the Seller to that Borrower or that Mortgagor (as the case may be), (ii) is not purchased by the Covered Bond Guarantor under the Mortgage Sale Agreement or (as the case may be) the Declaration of Assets Trust and (iii) would not form part of the Asset Pool;
Authorised Investments	Cash or other authorised investments permitted to be held by the CBG under MAS Notice 648, provided that such authorised investments comprise of (a) demand or time deposits, certificates of deposit and other short term unsecured debt obligations provided that, in each case, at the time the deposit is made or the certificate or obligation is acquired the then current rating of the unsecured and unguaranteed debt obligations of that institution (or, where the investment in question is guaranteed, of the guaranteeing institution) is at least AA- or A-1+ or AAAM by S&P, and at least P-1 or A2 (if applicable) by Moody's, or in each case such other ratings as may be required by the Rating Agencies from time to time; or (b) short term unsecured debt obligations issued by a body corporate provided that the then current rating of the unsecured and unguaranteed debt obligations of that body corporate (or where the debt obligations in question are guaranteed, of the guaranteeing institution) is at least AA- or A-1+ or AAA by S&P, and at least (i) P-1 or A2 (if applicable) by Moody's, or in each case such other ratings as may be required by the Rating Agencies from time to time, provided that in all cases, such authorised investments mature on or before the next following CBG Payment Date;
Available Principal Receipts	As of a Collection Calculation Date, an amount equal to the aggregate of (without double counting): (a) the amount of Principal Receipts received (whether by the Covered Bond Guarantor, the Servicer on its behalf or otherwise) during the immediately preceding Collection Period; (b) any other amount standing to the credit of the Principal Ledger; (c) the proceeds of any Advances or Subordinated Advances (other than Deemed Advances or Deemed Subordinated Advances) (where such proceeds have not been applied to acquire New Portfolios, refinance an existing Advance or Subordinated Advance, invest in Authorised Investments or Substitution

Assets or as a credit to the Pre-Maturity Liquidity Ledger or the Reserve Ledger);

- (d) the proceeds from any sale of Loans (including, but not limited to, Selected Loans) pursuant to the terms of the Establishment Deed, the Mortgage Sale Agreement or the Declaration of Assets Trust to the extent that such proceeds represent principal;
- (e) the proceeds from the sale of Substitution Assets or Authorised Investments pursuant to the terms of the Establishment Deed to the extent such proceeds represent principal;
- (f) the amount of any Excess Proceeds standing to the credit of the Transaction Account;
- (g) the amount standing to the credit of the Reserve Ledger in excess of the Reserve Fund Required Amount to the extent such amount represents the amount drawn under the Intercompany Loan Agreement or the Subordinated Loan Agreement to fund the Reserve Fund;
- (h) following the service of a Notice to Pay, the relevant amount standing to the credit of the Accrued Payments Ledger which is to be applied on the immediately following CBG Payment Date in accordance with the Establishment Deed; and
- (i) following repayment of any Hard Bullet Covered Bonds by the Issuer or the Covered Bond Guarantor on the Maturity Date thereof or if the Issuer is no longer failing the Pre-Maturity Test, any amounts standing to the credit of the Pre-Maturity Liquidity Ledger in respect of such Series of Hard Bullet Covered Bonds (except where the Covered Bond Guarantor is required to retain such amounts on the Pre-Maturity Liquidity Ledger under the Transaction Documents) and which are not Available Revenue Receipts, as of that Calculation Date,

less or excluding (as applicable and without double counting) any:

- (A) Swap Collateral Excluded Amounts;
- (B) Swap Collateral;
- (C) principal (or, in respect of cross-currency swaps, exchange amounts) received under the Covered Bond Swap Agreement;
- (D) any termination premium under any Swap required to be used to purchase a replacement Swap;
- (E) any All Monies Trust Property which the Seller is entitled to;
- (F) Third Party Amounts; and
- (G) Tax Credits;

Available Revenue Receipts

As of a Collection Calculation Date, an amount equal to the aggregate of (without double counting):

- (a) the amount of Revenue Receipts received (whether by the Covered Bond Guarantor or the Servicer on its behalf or otherwise) during the immediately preceding Collection Period;

- (b) other net income of the Covered Bond Guarantor received during the immediately preceding Collection Period including:
 - (i) all interest received by the Covered Bond Guarantor on the Covered Bond Guarantor Accounts (including, but not limited to, in respect of amounts representing Authorised Investments or Substitution Assets) (other than the Swap Collateral Accounts, but including such interest thereon to the extent it constitutes Swap Collateral Available Amounts);
 - (ii) all amounts received by the Covered Bond Guarantor representing income on any Authorised Investments and Substitution Assets in the preceding Collection Period;
 - (iii) the proceeds received from any sale of Loans (including, but not limited to, Selected Loans) pursuant to the terms of the Establishment Deed, the Mortgage Sale Agreement or the Declaration of Assets Trust to the extent that such proceeds comprise interest or fee amounts (including, for the avoidance of doubt but without double counting, Accrued Interest and Arrears of Interest;
 - (iv) amounts received by the Covered Bond Guarantor under the relevant Interest Rate Swap Agreement (if any) (excluding any termination payment received from the relevant Interest Rate Swap Provider (if any) to the extent applied to acquire a replacement Interest Rate Swap); and
 - (v) the amount of any termination payment received from a Swap Provider which is not applied to acquire a replacement for the relevant terminated Swap;
- (c) prior to the service of a Notice to Pay or an Asset Coverage Test Breach Notice (or, if such notice has been served, it has been revoked), amounts standing to the credit of the Reserve Fund in excess of the Reserve Fund Required Amount and which are not part of Available Principal Receipts in each case as of that Collection Calculation Date;
- (d) following the service of a Notice to Pay or an Asset Coverage Test Breach Notice, amounts standing to the credit of the Reserve Fund in each case as of that Collection Calculation Date;
- (e) following the service of a Notice to Pay, the relevant amount standing to the credit of the Accrued Payments Ledger which is to be applied on the immediately following CBG Payment Date in accordance with the Establishment Deed;
- (f) (i) the amount of any premium received by the Covered Bond Guarantor from a new Swap Provider as consideration for the entry by the Covered Bond Guarantor into a new Swap during the immediately preceding Collection Period, except to the extent applied to pay any termination payment under the relevant Swap being replaced and/or (ii) the amount of any termination payment received by the Covered Bond Guarantor from a Swap Provider, except to the extent applied to pay a

premium to a replacement Swap Provider to enter into a replacement Swap Agreement;

- (g) prior to the service of a Notice to Pay or an Asset Coverage Test Breach Notice (or, if such notice has been served, it has been revoked), following repayment of any Hard Bullet Covered Bonds by the Issuer on the Maturity Date thereof or if the Issuer is no longer failing the Pre-Maturity Test, any amounts standing to the credit of the Pre-Maturity Liquidity Ledger in respect of such Series of Hard Bullet Covered Bonds (except where the Covered Bond Guarantor is required to retain such amounts on the Pre-Maturity Liquidity Ledger under the Transaction Documents) to the extent funded through Revenue Receipts; and
- (h) any other revenue receipts not referred to in paragraphs (a) to (g) (inclusive) above received during the previous Collection Period and standing to the credit of the Revenue Ledger,

less or excluding (as applicable and without double counting) any:

- (A) Third Party Amounts;
- (B) Tax Credits;
- (C) Swap Collateral Excluded Amounts;
- (D) All Monies Trust Property which the Seller is entitled to; and
- (E) amounts in respect of interest received by the Covered Bond Guarantor under each Covered Bond Swap Agreement;

For the avoidance of doubt, Available Revenue Receipts shall not include any amounts standing to the credit of the CBG Retained Amount Ledger;

Bank Account Agreement	The bank account agreement dated 7 April 2026 (as amended, restated, supplemented or novated from time to time) and made among, <i>inter alios</i> , the Covered Bond Guarantor, the Account Bank, the Cash Manager and the Security Trustee;
Banking Act	Banking Act 1970 of Singapore, as amended, and any regulations made pursuant to it;
Banking (CG) Regulations	Banking (Corporate Governance) Regulations 2005 of Singapore;
Banking Regulations	Banking Regulations, of Singapore;
Basel Committee	Basel Committee on Banking Supervision;
Basel III	<i>Basel III: A global regulatory framework for more resilient banks and banking systems</i> published on 16 December 2010 by the Basel Committee;
BB Facility	in relation to a Loan in the Portfolio, a business banking facility granted by the Seller which is secured or to be secured by a BB Facility Mortgage;
BB Facility Mortgage	means in relation to any BB Facility, a charge by way of legal mortgage over the Property that is already subject to a Mortgage, and which is registered with the Land Registry after such Mortgage;

BB Facility Related Security	in relation to any BB Facility, any security over or in relation to the relevant Property that secures a BB Facility including the relevant BB Facility Mortgage;
Beneficiary Assignee	The meaning given in the section " <i>Summary of the Principal Documents – Declarations of Assets Trust – Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee</i> ";
Board	The Board of Directors of SCBSL, SCB or SCPLC as the context may require;
Board of Directors	The Board of Directors of SCBSL, SCB or SCPLC as the context may require;
Bond Trustee	The Bank of New York Mellon, London Branch in its capacity as bond trustee under the Bond Trust Deed together with any successor bond trustee or additional bond trustees appointed from time to time;
Bond Trust Deed	The amended and restated bond trust deed dated 7 April 2026 (as amended, restated, supplemented or novated from time to time) and made among the Issuer, the Covered Bond Guarantor, the Security Trustee and the Bond Trustee under which the Covered Bonds are constituted;
Borrower	In relation to a Loan, the individual or individuals specified as such in the relevant Mortgage Instrument together with the individual or individuals (if any) from time to time assuming an obligation to repay such Loan or any part of it;
Building (Strata Management) Act	Building (Strata Management) Act 2004 of Singapore, as amended, and any regulations made pursuant to it;
Business Day	The meaning given in the Conditions;
Business Day Convention	The meaning given in the Conditions;
Calculation Agent	In relation to all or any Series of the Covered Bonds, the person initially appointed as calculation agent in relation to such Covered Bonds by the Issuer and the Covered Bond Guarantor pursuant to the Agency Agreement or, if applicable, any successor or separately appointed calculation agent in relation to all or any Series of the Covered Bonds;
Calculation Date	The first day of a calendar month;
Calculation Period	The period from, and including, the first day of a calendar month to, and including, the last day of that calendar month except that the first Calculation Period means the period from and including the First Closing Date to, and including, the last day of the calendar month in which the First Closing Date falls (or, if the First Closing Date falls on the last day of a calendar month, the last day of the following calendar month);
Capitalised Expenses	In relation to a Loan, the amount of any expense, charge, fee, premium or payment (excluding, however, any Arrears of Interest) capitalised and added to the principal balance of that Loan (to which the Servicer applies the relevant interest rate at which interest on that Loan accrues) in accordance with the relevant Mortgage Conditions;
Capitalised Interest	For any Loan at any date, interest which is overdue in respect of that Loan and which as at that date has been added to the principal balance of that Loan (to which the Servicer applies the relevant interest rate at which interest on that Loan accrues) in accordance with the Mortgage

	Conditions or otherwise by arrangement with the relevant Borrower or the relevant Mortgagor (as the case may be) (excluding, for the avoidance of doubt, any Arrears of Interest which have not been so capitalised on that date);
CAR	Capital adequacy ratio;
Cash Management Agreement	The cash management agreement dated 7 April 2026 (as amended, restated, supplemented or novated from time to time) and made among, <i>inter alios</i> , the Covered Bond Guarantor, the CBG Beneficiary, the Seller, the Assets Trustee, the Servicer, the Cash Manager, the Corporate Services Provider, the Bond Trustee and the Security Trustee;
Cash Manager	SCBSL, in its capacity as cash manager under the Cash Management Agreement together with any successor cash manager appointed from time to time;
CBG Accounts	The Transaction Account and any additional or replacement accounts opened in the name of the Covered Bond Guarantor, including a Swap Collateral Account and the CBG Trust Account
CBG Beneficiary	Banzu Covered Bonds Pte. Ltd. (UEN/Company Registration No. 202342228G) as beneficiary of the Assets Trust;
CBG Payment Date	The 15th day of each month or if not a Singapore Business Day the next following Singapore Business Day and the first CBG Payment Date will be the 15th day of the month in which the First Closing Date falls (or, if the First Closing Date falls after the 15th day of that month, the 15th day of the following month);
CBG Expenses	All Costs incurred by the Covered Bond Guarantor in connection with the Transaction Documents and any other amounts payable by the CBG under the Transaction Documents;
CBG Payment Period	The period from (and including) a CBG Payment Date to (but excluding) the next following CBG Payment Date and the first CBG Payment Period will commence on the First Closing Date;
CBG Retained Amount	SGD 850 per month, which the Covered Bond Guarantor may use as it shall deem fit;
CBG Retained Amount Ledger	The ledger of such name maintained by the Cash Manager pursuant to the Cash Management Agreement to record payments of the CBG Retained Amount;
CBG Share	The part of the All Monies Trust Property comprised in each All Monies Trust to which the Covered Bond Guarantor or, as the case may be, CBG Beneficiary is entitled as determined and calculated in accordance with the CBG Declaration of Trusts;
CBG Trust Account	The account in the name of the Covered Bond Guarantor held with the Account Bank into which the proceeds of enforcement of each of the All Monies Mortgages and any other Related Security are credited;
CCB	The capital conservation buffer as required by Singapore prudential regulation in line with Basel III requirements;
CDP	The Central Depository (Pte) Limited;
CDP Covered Bonds	The Covered Bonds which are cleared or, as applicable, to be cleared through CDP;

CDP Paying Agent	The agent appointed by the Issuer in relation to CDP Covered Bonds only, pursuant to the Agency Agreement for lodgement and payment services with CDP, which at the date of the Agency Agreement is The Bank of New York Mellon, Singapore Branch;
CET1	Common Equity Tier 1;
Charged Property	The property charged by the Covered Bond Guarantor pursuant to the Deeds of Charge, as more fully described under " <i>Summary of the Principal Documents – Deeds of Charge</i> ";
Clearing Systems	CDP, the CMU, DTC, Euroclear and/or Clearstream for Bearer Covered Bonds and CDP, the CMU, DTC, Euroclear and/or Clearstream for Registered Covered Bonds and shall be deemed to include references to any additional or alternative system as is approved by the Issuer, the Issuing and Paying Agent and the Bond Trustee or as may otherwise be specified in the applicable Pricing Supplement;
Clearstream	Clearstream Banking S.A.;
Closing Date	Each of the First Closing Date and the closing date of the sale of any New Portfolio to the Covered Bond Guarantor in accordance with the Mortgage Sale Agreement and the Declaration of Assets Trust;
CMU	The Central Moneymarkets Unit Service operated by the HKMA;
CMU Covered Bonds	Each Series of Covered Bonds cleared through the CMU;
CMU Instrument Position Report	The meaning specified in the CMU Rules;
CMU Lodging and Paying Agent	The agent appointed by the Issuer pursuant to the Agency Agreement for lodgement services with the CMU, which as at the date of the Agency Agreement is The Bank of New York Mellon, Hong Kong Branch or any successor CMU lodging and paying agent;
CMU Manual	The reference manual relating to the operation of the CMU issued by the HKMA to CMU Members, as amended from time to time;
CMU Member	Any member of the CMU;
CMU Rules	All requirements of the CMU for the time being applicable to a CMU Member and includes (a) all the obligations for the time being applicable to a CMU Member under or by virtue of its membership agreement with the CMU and the CMU Manual, (b) all the operating procedures as set out in the CMU Manual for the time being in force insofar as such procedures are applicable to a CMU Member and (c) any directions for the time being in force and applicable to a CMU Member given by the HKMA through any operational circulars or pursuant to any provision of its membership agreement with the HKMA or the CMU Manual;
Code	The U.S. Internal Revenue Code of 1986, as amended;
Collection Calculation Date	The 8th day of each month or if not a Singapore Business Day the next following Singapore Business Day;
Collection Period	The period from, and including, the 8th day of each month to, and including, the 7th day of the following month except that the first Collection Period in respect of each New Portfolio means the period from and including the relevant Closing Date of such New Portfolio to

	and including the 8th day of the month in which the relevant Closing Date falls or, if the Seller so decides, the 7th day of the following month;
Common Depositary	The common depositary for Euroclear and Clearstream;
Companies Act	Companies Act 1967 of Singapore, as amended, and any regulations made pursuant to it;
Compounded Annual Growth Rate	Calculated as (the final year value divided by the starting year value) raised to the power of (one divided by the number of years) then minus one, expressed as a percentage.
Conditions	Terms and conditions of the Covered Bonds (as set out in Schedule 2 Part C to the Bond Trust Deed);
Converted Loan	A Non-CPF Loan in the Portfolio in respect of which CPF Withdrawal Approval is obtained after the Cut-off Date in respect of such Non-CPF Loan;
Corporate Services Agreement	The corporate services agreement dated 7 April 2026 (as amended, restated, supplemented or novated from time to time) and made between the Corporate Services Provider, the Covered Bond Guarantor, the Bond Trustee and the Security Trustee;
Corporate Services Provider	CSCGlobal Corporate Services (Singapore) Pte. Ltd. (formerly known as Intertrust Singapore Corporate Services Pte. Ltd.) (UEN/ Company Registration No. 198702411W), together with any successor corporate services provider appointed from time to time;
Costs	Any loss, damage, cost, charge, claim, demand, expense, judgment, decree, action, proceeding or other liability whatsoever, including, without limitation, in respect of: (a) Taxes; (b) in the case of the Bond Trustee and the Agents only, any amounts in respect of GST or other similar Tax; (c) in the case of all parties other than the Bond Trustee and the Agents, any amounts in respect of GST or other similar Tax to the extent not recoverable from a government, Tax, revenue or other similar authority; and (d) legal fees and expenses on a full indemnity basis;
Couponholders	The holders of the Coupons and the Talons;
Coupons	Interest coupons relating to interest-bearing Covered Bonds in bearer form;
Covered Bond	Covered bonds issued or to be issued pursuant to the Programme Agreement and which are or are to be constituted under the Bond Trust Deed, which covered bonds may be represented by a Global Covered Bond or any Definitive Covered Bond and includes any replacements or a Covered Bond issued pursuant to Condition 13 (<i>Replacement of Covered Bonds, Certificates, Receipts, Coupons and Talons</i>) (each a " Covered Bond ");
Covered Bond Guarantee	An unconditional and irrevocable guarantee by the Covered Bond Guarantor in the Bond Trust Deed for the payment of Guaranteed

	Amounts in respect of the Covered Bonds when the same shall become Due for Payment;
Covered Bond Guarantor or CBG	Banzu Covered Bonds Pte. Ltd. (UEN/Company Registration No. 202342228G);
Covered Bond Guarantor Acceleration Notice	The meaning given in Condition 9(b) (<i>Covered Bond Guarantor Events of Default</i>);
CBG Declaration of Trusts	The declaration of trust dated 7 April 2026 (as amended, restated, supplemented or novated from time to time) and made among the Covered Bond Guarantor, the CBG Beneficiary, the Seller, the All Monies Trustee and the All Monies Beneficiaries;
Covered Bond Guarantor Event of Default	The meaning given in Condition 9(b) (<i>Covered Bond Guarantor Events of Default</i>);
Covered Bond Swap Agreement	Each agreement between the Covered Bond Guarantor and the Covered Bond Swap Provider governing Covered Bond Swap(s) entered into with such Covered Bond Swap Provider in the form of an ISDA Master Agreement, including a schedule, a credit support annex and confirmations in relation to each such Covered Bond Swap;
Covered Bond Swap Early Termination Event	The meaning given in the section " <i>Summary of the Principal Documents – Covered Bond Swap Agreement</i> ";
Covered Bond Swap Provider	Each provider of a Covered Bond Swap under a Covered Bond Swap Agreement;
Covered Bond Swap Rate	In relation to a Tranche or Series of Covered Bonds, the exchange rate specified in the Covered Bond Swap(s) relating to such Tranche or Series of Covered Bonds or, if the Covered Bond Swap(s) have been terminated, the applicable spot rate;
Covered Bond Swaps	Swap transactions governed by the Covered Bond Swap Agreement;
Covered Bondholders	The bearer of any Bearer Covered Bond and the Receipts relating to it or the person in whose name a Registered Covered Bond is registered (as the case may be);
CPF	Central Provident Fund;
CPF Act	Central Provident Fund Act 1953 of Singapore, as amended, and any regulations made pursuant to it;
CPF Board	The Central Provident Fund Board constituted under Section 3 of the CPF Act;
CPF Funds	The monies standing to the credit of a Mortgagor's account(s) maintained with the CPF Board which may be used for financing or refinancing the purchase or acquisition of a Property or the repayment and/or servicing of the loan obtained for (i) the purchase or acquisition of a Property, and/or (ii) (where applicable and approved by the CPF Board) the costs of construction of a new dwelling house thereon;
CPF Loan	all loans granted by the Seller to a Borrower or a Mortgagor (as the case may be) which are secured by the same Mortgage over a Property, in respect of which: (a) the CPF Withdrawal Approval has been obtained prior to the Cut-off Date in respect of such loans; and

- (b) the CPF Board's prior consent to the transfer or assignment of the Mortgage over such Property securing such loans is required in order for the Covered Bond Guarantor and any transferee of such Mortgage (as may be contemplated under the terms of the Transaction Documents) to be accorded the priority of payments over the CPF Board in relation to the application of any proceeds from the realisation of such Property (and such CPF Board's consent is not obtained prior to the Cut-off Date in respect of such loans),

and which are sold by the Seller and purchased by the Covered Bond Guarantor from time to time and which are held on trust by the Assets Trustee under the terms of the Declaration of Assets Trust for the CBG Beneficiary, and comprise the aggregate of all principal sums, interest, costs, charges, expenses and other monies due or owing with respect to or apportioned to such loans under the relevant Mortgage Conditions by such Borrower or Mortgagor (as the case may be) on the security of the Mortgage over such Property from time to time outstanding, or, as the context may require, such Borrower's or Mortgagor's obligations in respect of the same but excluding any loan which is repurchased by the Seller or otherwise sold by the Covered Bond Guarantor and no longer beneficially owned by the CBG Beneficiary (including, for the avoidance of doubt, any loan in respect of which the CBG Beneficiary has assigned absolutely its beneficial interest pursuant to the provisions of the Declaration of Assets Trust). For the avoidance of doubt, no loan referred to above shall be construed or deemed to be a Top-up Loan.

CPF Loans Repurchase Completion Date

A date on or before the second CBG Payment Date falling after the relevant date of completion of any:

- (a) repurchase by the Seller of any CPF Loans and their Related Security (and any related Top-up Loans); and/or
- (b) surrender by the CBG Beneficiary to the Assets Trustee of its beneficial interest to any CPF Loans and their Related Security (and any related Top-up Loans);

CPF Withdrawal Approval

The approval of the CPF Board for the utilisation of CPF Funds by a Borrower or a Mortgagor (as the case may be) towards:

- (i) the financing or refinancing of the purchase or acquisition of a Property by the Borrower or the Mortgagor (as the case may be); and/or
- (ii) the repayment and/or servicing of the loans obtained by the Borrower or the Mortgagor (as the case may be) for financing or refinancing the purchase of the Property by the Borrower or the Mortgagor (as the case may be) and/or (where applicable and approved by the CPF Board) the costs of construction of a new dwelling house on that Property;

CPFTA

Consumer Protection (Fair Trading) Act 2003 of Singapore, as amended, and any regulations made pursuant to it;

Cut-off Date

The date falling one Singapore Business Day prior to:

- (a) (in the case of the Initial Portfolio) the First Closing Date;
- (b) (in the case of a New Portfolio) the relevant Closing Date; and
- (c) (in the case of the sale of Top-up Loans pursuant to the Mortgage Sale Agreement or the Declaration of Assets Trust)

the date of completion of the sale specified in the relevant New Portfolio Notice;

Dealers	All Programme Dealers and all persons appointed as a dealer in respect of one or more Tranches;
Declaration of Assets Trust	The declaration of trust dated 7 April 2026 (as amended, restated, supplemented or novated from time to time) and made among the Seller, the Assets Trustee, the Security Trustee, the Covered Bond Guarantor, the CBG Beneficiary and the All Monies Trustee;
Declaration of Banzu Covered Bonds Pte. Ltd. Covered Bonds Trust	The declaration of trust executed as a deed by the Share Trustee pursuant to which the issued share capital of the Covered Bond Guarantor are held on trust by the Share Trustee for the benefit of one or more organisation established for charitable, benevolent or philanthropic purposes;
Deed of Assignment	An assignment of, <i>inter alia</i> , Non-CPF Loans, their Related Security (and any related Top-up Loans) and rights of action against third parties substantially in the form set out in the Mortgage Sale Agreement;
Deeds of Charge	The Singapore Deed of Charge together with the English Security Trust Deed;
Deemed Advances	Deemed advances will arise under the Intercompany Loan if, as at any Calculation Date: (a) (i) there is an increase in the Principal Balance of a Loan comprised in the Portfolio in the immediately preceding Calculation Period due to Capitalised Interest accruing on that Loan or due to any other increase in the Principal Balance of that Loan; and (ii) each of the Deemed Advance Preconditions is satisfied as of that Calculation Date, such increase in the Principal Balance of that Loan shall be deemed to constitute a Deemed Advance and such Calculation Date shall be deemed to be the Drawdown Date for the Deemed Advance; or (b) (i) there is a Deemed Subordinated Advance outstanding; and (ii) each of the Deemed Advance Preconditions is satisfied as of that Calculation Date, the principal amount of such Deemed Subordinated Advance shall be deemed to constitute a Deemed Advance and such Calculation Date shall be deemed to be the Drawdown Date for the Deemed Advance (and such Deemed Subordinated Advance shall be deemed to have been repaid);
Deemed Advance Preconditions	(a) the aggregate outstanding principal amount of Advances after giving effect to such Deemed Advance does not exceed the Intercompany Loan Facility Amount; and (b) no Issuer Event of Default, Covered Bond Guarantor Event of Default or Demand Loan Repayment Event has occurred and is outstanding on the relevant Calculation Date or CBG Payment Date (as applicable) or would result from the Deemed Advance;

Deemed Ancillary Intercompany Loan Advance	An amount advanced, or to be advanced, by the Ancillary Intercompany Loan Provider to the Covered Bond Guarantor under the Ancillary Intercompany Loan Agreement;
Deemed Subordinated Advances	Amounts which are not able to constitute Deemed Advances under the Intercompany Loan Agreement because the Deemed Advance Preconditions are not satisfied;
Defaulted Loan	Any Loan in the Portfolio which is more than 90 days in arrears;
Defaulted Loans Notice	A notice from the Cash Manager to the Seller identifying any Defaulted Loan;
Deferred Consideration	The consideration payable to the Seller in respect of the n-CPF Loans and their Related Security in the Portfolio sold to the Covered Bond Guarantor from time to time, which is payable after making payments of a higher order of priority as set out in the relevant Priorities of Payment and ranks <i>pari passu</i> with Deferred Contribution Consideration (if any);
Deferred Consideration Amount	Such amount calculated in accordance with the formula below to determine the amount of Deferred Consideration that is payable on a CBG Payment Date:

$$DC \times (A/C)$$

Where:

DC = the amount of (i) Available Revenue Receipts on such CBG Payment Date after payment of all other amounts set out in paragraphs (a) to (p) of the Pre-Acceleration Revenue Priority of Payments or (ii) Available Revenue Receipts and Available Principal Receipts on such CBG Payment Date after payment of all other amounts set out in paragraphs (a) to (r) of the Guarantee Priority of Payments or (iii) proceeds distributable by the Security Trustee in accordance with the Singapore Deed of Charge after payment of all other amounts set out in paragraphs (a) to (j) of the Post-Enforcement Priority of Payments, as the case may be;

A = the aggregate outstanding balance of Non-CPF Loans; and

C = the aggregate outstanding balance of all Loans;

Deferred Contribution	The contribution payable by the CBG Beneficiary to the Assets Trustee in respect of the Trust Assets in the Portfolio which shall be deemed to be made each time Deferred Contribution Consideration is paid by the CBG Beneficiary (or the Assets Trustee on its behalf) to the Seller;
Deferred Contribution Consideration	The consideration payable by the CBG Beneficiary (or the Assets Trustee on its behalf) to the Seller in respect of the Trust Assets in the Portfolio sold by the Seller to the Covered Bond Guarantor from time to time, which is payable after making payments of a higher order of priority as set out in the relevant Priorities of Payments, such amount to be calculated by the Cash Manager pursuant to the terms of the Cash Management Agreement and, for the avoidance of doubt, shall not form part of the Trust Assets on payment to the Seller;
Deferred Contribution Consideration Amount	Such amount calculated in accordance with the formula below to determine the amount of Deferred Contribution Consideration that is payable on a CBG Payment Date:

$$(DC \times B)/C$$

Where:

DC = the amount of (i) Available Revenue Receipts on such CBG Payment Date after payment of all other amounts set out in paragraphs (a) to (p) of the Pre-Acceleration Revenue Priority of Payments or (ii) Available Revenue Receipts and Available Principal Receipts on such CBG Payment Date after payment of all other amounts set out in paragraphs (a) to (r) of the Guarantee Priority of Payments or (iii) proceeds distributable by the Security Trustee in accordance with the Singapore Deed of Charge after payment of all other amounts set out in paragraphs (a) to (j) of the Post-Enforcement Priority of Payments, as the case may be;

B = the aggregate outstanding balance of CPF Loans; and

C = the aggregate outstanding balance of all Loans;

Demand Loan

The demand loan portion of the Intercompany Loan;

Demand Loan Repayment Assets

(a) payment in cash held by the Covered Bond Guarantor to the Intercompany Loan Provider **PROVIDED THAT** to the extent there are any Converted Loans and/or Affected BB Loans in the Portfolio, the portion of the Demand Loan equal to the aggregate Principal Balance thereof may only be repaid in kind by way of such Converted Loans and/or Affected BB Loans (and may not be repaid in cash); and/or

(ii) payment in kind:

(I) (i) (in respect of Non-CPF Loans and their Related Security) where the Seller and the Intercompany Loan Provider are the same entity and the sale of the relevant Non-CPF Loans and their Related Security has not been perfected, by the reassignment, release and surrender of the CBG's rights, estate, title, interests, benefits and remedies to such Non-CPF Loans and their Related Security such that they vest completely in favour of the Intercompany Loan Provider and (ii) (in respect of CPF Loans and their Related Security) where the Assets Trustee and the Intercompany Loan Provider are the same entity and the CBG Beneficiary has not surrendered its beneficial interest in such CPF Loans and their Related Security to the Intercompany Loan Provider, by the CBG Beneficiary directing the Assets Trustee to accept the surrender of its beneficial interest in the relevant CPF Loans and their Related Security (which are subject to an Assets Trust) such that they vest completely in favour of the Assets Trustee in its capacity as the Intercompany Loan Provider (and, "in kind" shall be construed accordingly depending on whether the relevant Loans are Non-CPF Loans or CPF Loans);

(II) if the legal title to the relevant Loans and their Related Security has been transferred to (in respect of Non-CPF Loans) the CBG or, as the

case may be, (in respect of CPF Loans) the Replacement Assets Trustee, by transferring such Loans and their Related Security to the Intercompany Loan Provider (provided all relevant consents required thereto are obtained); and/or

(III) by transferring Authorised Investments and/or Substitution Assets (other than cash);

Demand Loan Repayment Date	The CBG Payment Date immediately following the delivery of the Demand Loan Repayment Notice, or, in the case of service of a Notice to Pay or a Covered Bond Guarantor Acceleration Notice, the CBG Payment Date following the date on which the Asset Percentage was fixed;
Demand Loan Repayment Event	(a) An Interest Rate Swap Agreement has been entered into and the Intercompany Loan Provider (in its capacity as the Interest Rate Swap Provider) is required to novate the Interest Rate Swap Agreement to a third party; or (b) the Intercompany Loan Agreement is terminated;
Demand Loan Repayment Notice	The notice, in the form or substantially in the form set out in the Intercompany Loan Agreement, to be delivered upon the Covered Bond Guarantor being required to repay all or part of the Demand Loan;
Direct Participants	The meaning given in " <i>Clearing and Settlement – The Clearing Systems – DTC</i> ";
Distribution	Any distribution made by the Assets Trustee from the Trust Assets in consideration of the surrender by the CBG Beneficiary of its interest in the relevant CPF Loans and its Related Security (and any related Top-up Loans) (and includes any distribution of Principal Receipts, Revenue Receipts and Top-up Receipts by the Assets Trustee to the CBG Beneficiary pursuant to the terms of the Declaration of Assets Trust);
Dodd-Frank Act	The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as amended;
DTC	The Depository Trust Company;
DTC Covered Bonds	Each series of Covered Bonds cleared through the DTC;
DTC Paying Agent	The Bank of New York Mellon or any successor appointed as DTC Paying Agent under the Programme pursuant to the relevant Agency Agreement;
Due for Payment	The requirement by the Covered Bond Guarantor to pay any Guaranteed Amounts following the delivery of a Notice to Pay on the Covered Bond Guarantor: (a) prior to the occurrence of a Covered Bond Guarantor Event of Default and service of a Covered Bond Guarantor Acceleration Notice, on the later of: (i) the date on which the Scheduled Payment Date in respect of such Guaranteed Amounts is reached, or, if later, the day which is two Business Days following service of a Notice to Pay on the Covered Bond Guarantor in respect of such Guaranteed Amounts or if the applicable Pricing Supplement specified that an

Extended Due for Payment Date is applicable to the relevant Series of Covered Bonds, the Interest Payment Date (as set out in the applicable Pricing Supplement) that would have applied if the Maturity Date of such Series of Covered Bonds had been the Extended Due for Payment Date or such other Interest Payment Date(s) specified in the applicable Pricing Supplement (the "**Original Due for Payment Date**"); and

- (ii) in relation to any Guaranteed Amounts in respect of the Final Redemption Amount payable on the Maturity Date for a Series of Covered Bonds only, the Extended Due for Payment Date, but only (A) if in respect of the relevant Series of Covered Bonds the Covered Bond Guarantee is subject to an Extended Due for Payment Date pursuant to the terms of the applicable Pricing Supplement and (B) to the extent that the Covered Bond Guarantor having received a Notice to Pay no later than the date falling one Business Day prior to the Extension Determination Date does not pay Guaranteed Amounts equal to the Final Redemption Amount in respect of such Series of Covered Bonds by the Extension Determination Date because the Covered Bond Guarantor has insufficient monies available under the Guarantee Priority of Payments to pay such Guaranteed Amounts in full on the earlier of (1) the date which falls two Business Days after service of such Notice to Pay on the Covered Bond Guarantor or, if later, the Maturity Date (or, in each case, after the expiry of the grace period set out in Condition 9(b)(i) (*Non-Payment*)) under the terms of the Covered Bond Guarantee or (2) the Extension Determination Date,

or, if, in either case, such day is not a Business Day, the next following Business Day. For the avoidance of doubt, Due for Payment does not refer to any earlier date upon which payment of any Guaranteed Amounts may become due under the guaranteed obligations, by reason of prepayment, acceleration of maturity, mandatory or optional redemption or otherwise save as provided in paragraph (b) below; or

- (b) following the occurrence of a Covered Bond Guarantor Event of Default, the date on which a Covered Bond Guarantor Acceleration Notice is served on the Issuer and the Covered Bond Guarantor;

D-SIB	Domestic systemically important bank;
Earliest Maturing Covered Bonds	At any time, the Series of the Covered Bonds (other than any Series which is fully collateralised by amounts standing to the credit of the Transaction Account) that has or have the earliest Maturity Date as specified in the applicable Pricing Supplement (ignoring any acceleration of amounts due under the Covered Bonds prior to the occurrence of a Covered Bond Guarantor Event of Default);
Early Redemption Amount	The Early Redemption Amount specified in the applicable Pricing Supplement;
Early Repayment Charge	Any prepayment fee, early redemption fee, partial redemption fee, full redemption fee, interest-in-lieu of notice, commitment fee or administrative fee, which the Mortgage Conditions applicable to a Loan require the relevant Borrower or the relevant Mortgagor (as the case may

	be) to pay in the event that all or part of that Loan is repaid before a certain date (including the end of any lock-in period);
Early Repayment Charge Receipts	An amount equal to sums received by the Covered Bond Guarantor from time to time in respect of Early Repayment Charges;
Eligibility Criteria	The requirement that each Loan: (a) is originated and booked on or after 1 January 2016; (b) is denominated and repayable in SGD; (c) is a mortgage loan which has been fully drawn (and where the Borrower or the Mortgagor (as the case may be) has no right to re-borrow any amount prepaid or repaid); (d) is secured by a mortgage over a residential property situated in Singapore and (1) title of the Mortgagor to such residential property must (i) have been separately issued and (ii) not be comprised in lease(s) granted by HDB, the Jurong Town Corporation or such other authorities/vendors as lessor, whereby consent of such lessor and/or such other relevant third party is required for the sale of such residential property or for the creation, assignment or transfer of such mortgage and (2) (if applicable) the leasehold interest of the Mortgagor in such residential property must not be for a term of less than 30 years after the maturity date of the relevant Loan at the time of the approval for the Loan origination; (e) is repayable by the relevant Borrower and/or the relevant Mortgagor within 35 years of the relevant Closing Date; (f) is a loan under which the Borrower or the Mortgagor (as the case may be) has made at least one monthly payment in respect thereof; (g) is not in arrears for more than 30 days; (h) is not a construction loan which has not been fully drawn down, renovation loan, overdraft or such other revolving facility; (i) is secured by a mortgage that constitutes a first ranking mortgage, save for (i) any charge registered or notified by the CPF Board in respect of the withdrawal of funds from the Mortgagor's account(s) with the CPF Board, (ii) any statutory charge in favour of the tax authority in respect of unpaid property tax, (iii) any charge registered in favour of the relevant management corporation of the estate comprising the Property in respect of unpaid amounts or contributions, (iv) any statutory charge in favour of the tax authority in respect of unpaid Estate Duty (where applicable) and (v) any other charges arising under any written law; (j) is not a Staff Mortgage Loan; and (k) is not classified as a non-performing loan or bad debt;
Eligible Asset Monitor	An asset monitor which satisfies the requirements as set out in the Asset Monitor Agreement which are broadly as follows: (i) is qualified to be an auditor under the Companies Act; and

	(ii) is approved as an accounting limited liability partnership for the purposes of the Accountants Act 2004 of Singapore, as amended, and any regulations made pursuant to it;
English Security Trust Deed	The amended and restated English security trust deed (as amended, restated, supplemented or novated from time to time) dated on or about 7 April 2026 and made among the Covered Bond Guarantor, the Assets Trustee, the CBG Beneficiary, the Seller, the Issuer, the Intercompany Loan Provider, the Ancillary Intercompany Loan Provider, the Subordinated Loan Provider, the Servicer, the Account Bank, the Cash Manager, the Covered Bond Swap Provider(s), the Corporate Services Provider, the Agents, the Bond Trustee and the Security Trustee and any other party acceding thereto;
Establishment Deed	The deed dated 7 April 2026 (as amended, restated, supplemented or novated from time to time) and made among the Covered Bond Guarantor, the CBG Beneficiary, the Seller, the Assets Trustee, the Servicer, the Cash Manager, the Bond Trustee and the Security Trustee;
Estate Duty	The estate duty leviable under the Estate Duty Act;
Estate Duty Act	Estate Duty Act 1929 of Singapore, and the regulations gazetted thereunder, as amended from time to time;
Euroclear	Euroclear Bank SA/NV;
Excess Proceeds	Monies received (following the occurrence of an Issuer Event of Default and delivery of an Issuer Acceleration Notice) by the Bond Trustee from the Issuer or any liquidator, receiver (including receiver and manager), administrator, trustee, judicial manager or similar official that is appointed in relation to the Issuer or its assets or undertaking;
Exchange Act	U.S. Securities Exchange Act of 1934, as amended;
Excluded Swap Termination Amount	In relation to a Swap Agreement, an amount equal to the amount of any termination payment due and payable (a) to the relevant Swap Provider as a result of a Swap Provider Default with respect to such Swap Provider or (b) to the relevant Swap Provider following a Swap Provider Downgrade Event with respect to such Swap Provider;
Extended Due for Payment Date	In relation to any Series of Covered Bonds, the date, if any, specified as such in the applicable Pricing Supplement to which the payment of all or (as applicable) part of the Final Redemption Amount payable on the Maturity Date will be deferred in the event that the Final Redemption Amount is not paid in full on the Maturity Date or the Extension Determination Date;
Extension Determination Date	In respect of a Series of Covered Bonds, the date falling two Business Days after the expiry of 14 days starting on (and including) the Maturity Date of such Series of Covered Bonds;
Extraordinary Resolution	A resolution of the Covered Bondholders passed as such under the terms of the Bond Trust Deed;
FATCA	Means: (a) Sections 1471 to 1474 of the Code or any associated regulations; (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction which (in either

	case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or
	(c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the U.S. IRS, the U.S. government or any governmental or taxation authority in any other jurisdiction;
FSM Act	Financial Services and Markets Act 2022 of Singapore, as amended, and any regulations made pursuant to it;
Final Redemption Amount	The final redemption amount specified in the applicable Pricing Supplement;
First Closing Date	The date on which the Initial Portfolio is sold to the Covered Bond Guarantor pursuant to the Mortgage Sale Agreement or (as the case may be) the Declaration of Assets Trust;
Fitch	Fitch Ratings, Inc., and its affiliates and successors, as the case may be;
Fixed Rate Covered Bonds	Covered Bonds to which the Fixed Rate Covered Bond Provisions apply in accordance with the relevant Pricing Supplement;
Floating Rate Covered Bonds	Covered Bonds to which the Floating Rate Covered Bond Provisions apply in accordance with the relevant Pricing Supplement;
GST	Any goods and services tax payable pursuant to the Goods and Services Tax Act 1993 of Singapore, and the regulations gazetted thereunder, as amended from time to time;
Guarantee Loan	The guarantee loan portion of the Intercompany Loan;
Guarantee Priority of Payments	The meaning given in the section " <i>Cashflows and Priorities of Payment – Allocation and Distribution of Monies following Service of a Notice to Pay</i> ";
Guaranteed Amounts	Prior to the service of a Covered Bond Guarantor Acceleration Notice, with respect to any Original Due for Payment Date or, if applicable, any Extended Due for Payment Date, the sum of Scheduled Interest and Scheduled Principal, in each case, payable on that Original Due for Payment Date or, if applicable, any Extended Due for Payment Date, or after service of a Covered Bond Guarantor Acceleration Notice, an amount equal to the relevant Early Redemption Amount as specified in the Conditions plus all accrued and unpaid interest and all other amounts due and payable in respect of the Covered Bonds, including all Excluded Scheduled Interest Amounts, all Excluded Scheduled Principal Amounts (whenever the same arose) and all amounts payable by the Covered Bond Guarantor under the Bond Trust Deed;
Guidelines	Guidelines on Corporate Governance for Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are Incorporated in Singapore (dated 3 April 2013) comprising the Code of Corporate Governance 2012 for companies listed on the SGX-ST and supplementary principles and guidelines from the MAS;
Hard Bullet Covered Bonds	Covered Bonds which are scheduled to be redeemed in full on their relevant Maturity Date without any provision for scheduled redemption other than on the Maturity Date;

HDB	The Housing and Development Board of Singapore established under Section 3 of the Housing and Development Act 1959 of Singapore;
HKMA	The Monetary Authority appointed pursuant to Section 5A of the Exchange Fund Ordinance (Cap. 66 of the laws of Hong Kong) or its successors;
ICAAP	Internal Capital Adequacy Assessment Process;
Income Tax Act	Income Tax Act 1947 of Singapore, as amended, and any regulations made pursuant to it;
Indexed Valuation	In relation to a Property at any date means the Valuation of the Property as increased or decreased as appropriate by the increase or decrease in the Reference Index since the date of that Valuation;
Indirect Participants	The meaning given in the section " <i>Clearing and Settlement – The Clearing Systems – DTC</i> ";
Initial Advance	In respect of any Loan, the original principal amount (together with the amount of any retention) advanced by the Seller to the relevant Borrower and/or relevant Mortgagor;
Initial Demand Loan Repayment Notice	The meaning given in the section " <i>Summary of the Principal Documents – Intercompany Loan Agreement – Repayment of the Demand Loan</i> ";
Initial Contribution	the contribution payable by the CBG Beneficiary to the Assets Trustee for the purchase from the Seller of the Trust Assets set out in the Declaration of Assets Trust which shall form part of the Initial Portfolio, which shall be equal to an amount representing the Principal Balance as at the Cut-off Date of the CPF Loans constituting such Trust Assets sold on the First Closing Date, and be funded in accordance with the Declaration of the Assets Trust;
Initial Portfolio	The Loans and their Related Security, particulars of which will be delivered on the First Closing Date pursuant to the Mortgage Sale Agreement and the Declaration of Assets Trust (other than any Loans and their Related Security which have been redeemed in full prior to the Cut-off Date), and includes all rights, estate, title, interests, benefits and remedies of the Seller on and from the Cut-off Date in and to: (a) all payments of principal and interest (including, for the avoidance of doubt, all Accrued Interest, Arrears of Interest, Capitalised Interest and Capitalised Expenses) and other sums due or to become due in respect of such Loans and Related Security including, without limitation, the right to demand, sue for, recover and give receipts for all principal monies, interest and costs and the right to sue on all covenants and any undertakings made or expressed to be made in favour of the Seller under the applicable Mortgage Conditions; (b) subject where applicable to the subsisting rights of redemption of Borrowers and/or the Mortgagors (as the case may be), any collateral security for the repayment of the relevant Loans; (c) the right to exercise all the powers of the Seller in relation thereto; (d) all the estate and interest in the Properties vested in the Seller; and

	(c) the proceeds of all claims made by or on behalf of the Seller or to which the Seller is entitled in respect of any Insurance Policy in relation to any such Loan;
Initial Purchase Price	The amount to be paid by the Covered Bond Guarantor to the Seller in consideration of the sale by the Seller of the Initial Portfolio to the Guarantor;
Insolvency Event	(a) In respect of SCBSL (in its various capacities and roles under the Transaction Documents): (i) SCBSL 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 Standard Chartered Bank (Singapore) Limited; or (ii) an order is made or an effective resolution passed for the winding-up or dissolution or administration of SCBSL, or SCBSL 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; and (b) in respect of the Covered Bond Guarantor or, where Standard Chartered Bank (Singapore) Limited is not carrying out such role, the Assets Trustee, the Servicer and the Cash Manager: (i) an order is made or an effective resolution passed for the winding up of the relevant entity; or (ii) the relevant entity stops or threatens to stop payment to its creditors generally or the relevant entity ceases or threatens to cease to carry on its business or substantially the whole of its business; or (iii) an encumbrancer takes possession or a receiver, judicial manager, administrative receiver or other similar officer is appointed to the whole or any material part of the undertaking, property and assets of the relevant entity or a distress, diligence or execution is levied or enforced upon or sued out against the whole or any material part of the chattels or property of the relevant entity and, in the case of any of the foregoing events, is not discharged within 30 days; or (iv) the relevant entity is unable to pay its debts as they fall due;
Instrument of Postponement	The instrument of postponement in the form as prescribed/ approved by the Registrar of Titles executed or to be executed by the Seller and the Mortgagor which, upon registration for and on behalf of the CPF Board

	with the Singapore Land Authority, has the effect of postponing the mortgage in favour of the Seller registered against the Property, according priority to the CPF charge in favour of the CPF Board securing the withdrawal of CPF Funds towards the repayment and/or servicing of the loans such that the CPF charge shall rank as first charge and the mortgage in favour of the Seller shall rank as second mortgage, subject however to the terms and conditions set out in the latest CPF Board's memorandum of mortgage;
Insurance Policy	Any insurance policy in favour of the Seller in relation to the Loans and any endorsements or extensions thereto as issued from time to time (and Insurance Policies shall be construed accordingly);
Intercompany Loan	All Advances made by the Intercompany Loan Provider to the Covered Bond Guarantor under the Intercompany Loan Agreement;
Intercompany Loan Agreement	The loan agreement dated 7 April 2026 (as amended, restated, supplemented or novated from time to time) and made between the Intercompany Loan Provider, the Assets Trustee, the Cash Manager, the Servicer, the Covered Bond Guarantor, the CBG Beneficiary and the Security Trustee;
Intercompany Loan Facility Amount	SGD1,900,000,000 or such other amount as the Intercompany Loan Provider and the Covered Bond Guarantor (at the direction of the Cash Manager) may agree from time to time;
Intercompany Loan Ledger	The ledger of such name maintained by the Cash Manager pursuant to the Cash Management Agreement to record all payments of interest and repayments of principal on each of the Advances under the Intercompany Loan;
Intercompany Loan Provider	SCBSL;
Interest Payment Date	Such date(s) as may be specified in the applicable Pricing Supplement in accordance with the Conditions;
Interest Rate Swap	The interest rate swap transaction (if any) governed by an Interest Rate Swap Agreement;
Interest Rate Swap Agreement	Each agreement (if any) between the Covered Bond Guarantor and an Interest Rate Swap Provider (if any) governing the Interest Rate Swap (if any) entered into with such Interest Rate Swap Provider in the form of an ISDA Master Agreement, including a schedule, a credit support annex and confirmation in relation to such Interest Rate Swap;
Interest Rate Swap Early Termination Event	The meaning given in the section " <i>Summary of the Principal Documents – Interest Rate Swap Agreement</i> ";
Interest Rate Swap Provider	An interest rate swap provider (if any) under the relevant Interest Rate Swap(s) (if any) under the relevant Interest Rate Swap Agreement (if any) together with any successor interest rate swap provider thereto;
Investment Company Act	The United States Investment Company Act of 1940, as amended;
Investments Ledger	The ledger maintained by the Cash Manager pursuant to the Cash Management Agreement in respect of Authorised Investments and Substitution Assets acquired and disposed of by or on behalf of the Covered Bond Guarantor;
Investor Report	The monthly report made available to the Covered Bondholders, the Security Trustee, the Bond Trustee and the Rating Agencies detailing,

inter alia, compliance with the Asset Coverage Test and which are posted on the Issuer's website at <https://www.sc.com/sg/investor>;

IRRBB	Interest rate risk in the banking book;
ISDA	International Swaps and Derivatives Association, Inc.;
ISDA Definitions	2006 ISDA Definitions, as published by ISDA;
ISDA Master Agreement	The 1992 ISDA Master Agreement (Multicurrency Cross Border), as published by ISDA;
Issue Date	Each date on which the Issuer issues Covered Bonds to the Covered Bondholders;
Issuer	SCBSL;
Issuer Acceleration Notice	The meaning given in Condition 9(a) (<i>Issuer Events of Default</i>);
Issuer Event of Default	The meaning given in Condition 9(a) (<i>Issuer Events of Default</i>);
Issuing and Paying Agent	The Bank of New York Mellon, London Branch in respect of each Series of Covered Bonds (other than CMU Covered Bonds, CDP Covered Bonds and DTC Covered Bonds), The Bank of New York Mellon, Singapore Branch in respect of each Series of CDP Covered Bonds, The Bank of New York Mellon, Hong Kong Branch in respect of each Series of CMU Covered Bonds and The Bank of New York Mellon in respect of each Series of DTC Covered Bonds (or such other Issuing and Paying Agent as may be appointed from time to time under the Agency Agreement)
Land Acquisition Act	Land Acquisition Act 1966 of Singapore, as amended, and any regulations made pursuant to it;
Land Registry	The Land Titles Registry of the Singapore Land Authority established under the Land Titles Act and administered by the Registrar of Titles;
Land Titles Act	Land Titles Act 1993 of Singapore, as amended, and any regulations made pursuant to it, and shall include where applicable the Land Titles (Strata) Act;
Land Titles (Strata) Act	Land Titles (Strata) Act 1967 of Singapore, as amended, and any regulations made pursuant to it;
LCR	Liquidity coverage ratio;
Ledger	Each of the Revenue Ledger, the Principal Ledger, the Pre-Maturity Liquidity Ledger, the Accrued Payments Ledger, the Subordinated Loan Ledger, the Intercompany Loan Ledger, the Ancillary Intercompany Loan Ledger, the Investments Ledger, the Payment Ledger, the Reserve Ledger, the CBG Retained Amount Ledger, the Swap Collateral Account Ledger and the Assets Trust Ledger;
Lending Criteria	The lending criteria of the Seller from time to time, or such other criteria as would be acceptable to a Reasonable, Prudent Mortgage Lender;
Loan Account	The loan account in the Seller's records relating to one or more loans secured by a Mortgage;
Loan Agreement	In relation to a Loan, the loan agreement (including without limitation the relevant letter of offer and the relevant letter of variation) entered into between the relevant Borrower, the relevant Mortgagor (if different from the relevant Borrower) and the Seller, as revised, amended,

	restated, supplemented, superseded or novated from time to time, excluding for the avoidance of doubt any supplements to such loan agreement in respect of a Top-up Loan;
Loan Files	The file or files relating to each Loan (including files kept in microfiche format or similar electronic data retrieval system or the substance of which is transcribed and held on an electronic data retrieval system) containing, <i>inter alia</i> , the application form, the Loan Agreement, the Valuation Report (if applicable) and, to the extent available, the solicitor's Report on Title, relevant to that Loan;
Loan Repurchase Notice	A notice in substantially the form set out in the Mortgage Sale Agreement served in accordance with the terms of the Mortgage Sale Agreement or (as the case may be) the Declaration of Assets Trust;
Loans	(i) CPF Loans and (ii) Non-CPF Loans, and each a Loan;
LTV	Loan-to-value;
LTV Adjusted Principal Balance	The meaning given in the section " <i>Summary of the Principal Documents – Establishment Deed – Asset Coverage Test</i> ";
MAS	The Monetary Authority of Singapore established under Section 3 of the MAS Act, as amended, and any regulations made pursuant to it;
MAS Act	Monetary Authority of Singapore Act 1970 of Singapore, as amended, and any regulations made pursuant to it;
MAS Notice 612	MAS Notice 612 on Credit Files, Grading and Provisioning;
MAS Notice 632	MAS Notice 632 on Residential Property Loans;
MAS Notice 637	MAS Notice 637 on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore;
MAS Notice 643	MAS Notice 643 on Transactions with Related Parties;
MAS Notice 648	MAS Notice 648 on the Issuance of Covered Bonds by Banks incorporated in Singapore;
MAS Notice 649	MAS Notice 649 on Minimum Liquid Assets and Liquidity Coverage Ratio;
MAS Notice 651	MAS Notice 651 on Liquidity Coverage Ratio Disclosure;
MAS Notice 758	MAS Notice 758 on Minimum Cash Balance;
Master Definitions Agreement	The master definitions agreement dated 7 April 2026 (as amended, restated, supplemented or novated from time to time) and made among the parties to the Transaction Documents;
Material Adverse Effect	As the context specifies: (a) a material adverse effect on the validity or enforceability of any of the Transaction Documents; or (b) in respect of a Transaction Party, a material adverse effect on: (i) the business, operations, assets, property, condition (financial or otherwise) or prospects of such Transaction Party; or

	(ii) the ability of such Transaction Party to perform its obligations under any of the Transaction Documents; or (iii) the rights or remedies of such Transaction Party under any of the Transaction Documents; or
	(c) in the context of the Loans and their Related Security, a material adverse effect on the interests of the Covered Bond Guarantor or the Security Trustee in the Loans and their Related Security, or on the ability of the Covered Bond Guarantor (or the Servicer on the Covered Bond Guarantor's behalf) to collect the amounts due under the Loans and their Related Security or on the ability of the Security Trustee to enforce the Security; or (d) a material adverse effect on the validity or enforceability of any of the Covered Bonds;
Maturity Date	The Interest Payment Date on which each Series of Covered Bonds will be redeemed at their nominal amount then outstanding in accordance with the Conditions;
Minimum Cash Amount	The minimum amount to be paid in cash by the borrower;
Misrepresentation Act	Misrepresentation Act 1967 of Singapore, as amended, and any regulations made pursuant to it;
Moneylenders Act	Moneylenders Act 2008 of Singapore, as amended, and any regulations made pursuant to it;
Monthly Payment Date	In relation to a Loan, the date in each month on which the relevant Borrower or the relevant Mortgagor (as the case may be) is required to make a payment of interest and, if applicable, principal for that Loan, as required by the applicable Mortgage Conditions;
Moody's	Moody's Investors Service Singapore Pte. Ltd., and its affiliates and successors, as the case may be;
Mortgage	In relation to any Loan, each first charge by way of legal mortgage (save for (a) any charge registered or notified by the CPF Board in respect of the withdrawal of CPF Funds from the relevant Mortgagor's account(s) maintained with the CPF Board, (b) any statutory charge in favour of the tax authority in respect of unpaid property taxes, (c) any charge registered in favour of the relevant management corporation in connection with the Property in respect of unpaid amounts or contributions, (d) any statutory charge in favour of the tax authority in respect of unpaid estate duty leviable under the Estate Duty Act (where applicable) and (e) any other charges arising under any written law) which secures the repayment of the relevant Loan and includes the Mortgage Conditions applicable to it;
Mortgage Conditions	All the terms and conditions applicable to a Loan, including, without limitation, those set out in the Seller's relevant standard terms and conditions and the Seller's relevant general conditions each as varied from time to time by the relevant Loan Agreement and the relevant Mortgage Instrument;
Mortgage Instrument	In respect of any Mortgage, the instrument of mortgage in the form approved by the Registrar of Titles and registered with the Land Registry under the provisions of the Land Titles Act, creating that Mortgage;

Mortgage Sale Agreement	The mortgage sale agreement dated 7 April 2026 (as amended, restated, supplemented or novated from time to time) and made among the Seller, the Covered Bond Guarantor, the Assets Trustee, the CBG Beneficiary, the All Monies Trustee and the Security Trustee;
Mortgagee	In respect of any Mortgage, the person named and described as the mortgagee/bank in the relevant Mortgage Instrument for the time being entitled to exercise the rights of the mortgagee/bank under that Mortgage;
Mortgagor	In relation to a Loan, the individual or individuals named and described as the mortgagor in the relevant Mortgage Instrument together with the individual or individuals (if any) from time to time assuming an obligation to repay such Loan or any part of it;
New Loan Types	New types of mortgage loans originated or acquired by the Seller which are secured by first-ranking mortgages over residential properties situated in Singapore, and which the Seller intends to transfer to the Covered Bond Guarantor, the terms and conditions of which are materially different (in the opinion of the Seller, acting reasonably) from the Loans comprised in the Initial Portfolio. For the avoidance of doubt, the "MortgageOne" product offered by the Seller (or any replacement product which allows interest earned on deposit balance to be offset against the interest on a mortgage loan) will not constitute a New Loan Type and a mortgage loan will not constitute a New Loan Type if it differs from the Loans comprised in the Initial Portfolio due to it having different interest rates and/or interest periods and/or time periods for which it is subject to a fixed rate, capped rate, tracker rate or any other interest rate or the benefit of any discounts, cash-backs and/or rate guarantees;
New Loans	Loans, other than the Loans comprised in the Initial Portfolio, which the Seller may sell to the Covered Bond Guarantor pursuant to the Mortgage Sale Agreement or contribute as new Trust Assets pursuant to the Declaration of Assets Trust (as the case may be), after the First Closing Date;
New Portfolio	The portfolio of New Loans and their Related Security (other than any New Loans and their Related Security which have been redeemed in full prior to the Cut-off Date or which do not otherwise comply with the terms of the Mortgage Sale Agreement or (as the case may be) the Declaration of Assets Trust as at the Closing Date), particulars of which are set out in the relevant New Portfolio Notice or in a document stored upon electronic media, and all rights, estate, title, interests, benefits and remedies of the Seller on and from the Cut-off Date in and to the rights and assets set out in paragraphs (a) to (e) in the definition of Initial Portfolio;
New Portfolio Notice	A notice in the form set out in the Mortgage Sale Agreement or (as the case may be) to the Declaration of Assets Trust, subject to any amendment as may be agreed among the parties thereto served in accordance with the terms of the Mortgage Sale Agreement or (as the case may be) the Declaration of Assets Trust;
Non-CPF Loan	(a) all loans granted by the Seller to a Borrower or a Mortgagor (as the case may be) which are secured by the same Mortgage over a Property, in each case in respect of which there is no CPF Withdrawal Approval; or

- (b) all loans granted by the Seller to a Borrower or a Mortgagor (as the case may be) which are secured by the same Mortgage over a Property, in respect of which:
 - (i) the CPF Withdrawal Approval has been obtained prior to the Cut-off Date in respect of such loans; and
 - (ii) the CPF Board's prior consent to the transfer or assignment of the Mortgage over such Property securing such loans is not required (as at the Cut-off Date in respect of such loans) in order for the Covered Bond Guarantor and any transferee of such Mortgage (as may be contemplated under the terms of the Transaction Documents) to be accorded the priority of payments over the CPF Board in relation to the application of any proceeds from the realisation of such Property; or
- (c) all loans granted by the Seller to a Borrower or a Mortgagor (as the case may be) which are secured by the same Mortgage over a Property, in respect of which:
 - (i) the CPF Withdrawal Approval has been obtained prior to the Cut-off Date in respect of such loans; and
 - (ii) the CPF Board's prior consent to the transfer or assignment of the Mortgage over such Property securing such loans is required in order for the Covered Bond Guarantor and any transferee of such Mortgage (as may be contemplated under the terms of the Transaction Documents) to be accorded the priority of payments over the CPF Board in relation to the application of any proceeds from the realisation of such Property (and such CPF Board's consent is obtained prior to the Cut-off Date in respect of such loans),

which, in each case, is sold and assigned by the Seller to the Covered Bond Guarantor from time to time under the terms of the Mortgage Sale Agreement and is purchased by the Covered Bond Guarantor, and comprises the aggregate of all principal sums, interest, costs, charges, expenses and other monies due or owing with respect to or apportioned to that loan under the relevant Mortgage Conditions by a Borrower or a Mortgagor (as the case may be) on the security of the Mortgage over such Property from time to time outstanding, or, as the context may require, the Borrower's or the Mortgagor's obligations in respect of the same but excluding any loan which is repurchased by the Seller or otherwise sold by the Covered Bond Guarantor and no longer beneficially owned by it. For the avoidance of doubt, no loan referred to under limbs (a), (b) and (c) above shall be construed or deemed to be a Top-up Loan. Converted Loans shall be deemed to continue to be Non-CPF Loans, subject to certain provisions of the Transaction Documents dealing with such Converted Loans only.

**Non-CPF Loans
Repurchase Completion
Date**

A date on or before the second CBG Payment Date falling after the relevant date of completion of any repurchase by the Seller of any Non-CPF Loans and their Related Security (and any related Top-up Loans);

**Notice of Inclusion of
Trust Assets**

A notice in substantially the form set out in the Declaration of Assets Trust;

Notice to Pay

The meaning given in Condition 9(a) (*Issuer Events of Default*);

NPA's	Non-performing assets;
NSFR	Net stable funding ratio;
Offering Memorandum	This offering memorandum;
OID	The meaning given in the section " <i>Taxation</i> ";
Original Due for Payment Date	The meaning given in paragraph (a)(i) of the definition of Due for Payment;
outstanding	In relation to the Covered Bonds of all or any Series, all the Covered Bonds of such Series issued except (a) those that have been redeemed in full or cancelled in accordance with the Conditions, (b) those in respect of which the date (including, where applicable, any deferred date) for redemption in accordance with the Conditions has occurred and the redemption monies (including all interest accrued on such Covered Bonds to the date for such redemption and any interest payable after such date) have been duly paid to the Bond Trustee or to the Issuing and Paying Agent as provided in the Agency Agreement (and where appropriate notice to that effect has been given to the relative Covered Bondholders in accordance with Condition 15 (<i>Notices</i>)) and remain available for payment against presentation and surrender of Covered Bonds, Certificates, Receipts and/or Coupons, as the case may be, (c) those Covered Bonds that have become void or in respect of which claims have become prescribed, in each case under Condition 8 (<i>Prescription</i>), (d) those Covered Bonds that have been purchased and cancelled in accordance with Conditions 5(f) (<i>Redemption, Purchase and Options – Purchases</i>) and 5(g) (<i>Redemption, Purchase and Options – Cancellation</i>), (e) those mutilated or defaced Covered Bonds that have been surrendered in exchange for replacement Covered Bonds, (f) (for the purpose only of determining how many Covered Bonds are outstanding and without prejudice to their status for any other purpose) those Covered Bonds alleged to have been lost, stolen, surrendered or destroyed and in respect of which replacement Covered Bonds have been issued pursuant to Condition 13 (<i>Replacement of Covered Bonds, Certificates, Receipts, Coupons and Talons</i>) and (g) any Temporary Global Covered Bond to the extent that it shall have been exchanged for a Permanent Global Covered Bond and any Global Covered Bond to the extent that it shall have been exchanged for one or more Definitive Covered Bonds, in either case pursuant to its provisions, the provisions of the Bond Trust Deed and the Agency Agreement, provided that for the purposes of (1) ascertaining the right to attend and vote at any meeting of the Covered Bondholders of any Series, to give instruction or direction to the Bond Trustee and for the purposes of a resolution in writing, (2) the determination of how many and which Covered Bonds of any Series are for the time outstanding for the purposes of Conditions 9 (<i>Events of Default</i>) and 10 (<i>Meetings of Covered Bondholders, Modification, Waiver and Substitution</i>) and Schedule 3 (<i>Provisions for Meetings of Covered Bondholders</i>) to and the Bond Trust Deed, (3) the exercise of any discretion, power or authority that the Bond Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Covered Bondholders, and (4) the determination by the Bond Trustee whether any event, circumstance, matter or thing is, in its opinion, materially prejudicial to the interests of the Covered Bondholders of any Series, those Covered Bonds of the relevant Series (if any) that are beneficially held by or on behalf of the Issuer, the Issuer's affiliates or the Covered Bond Guarantor and not cancelled shall (unless no longer so held) be deemed not to remain outstanding;

Partial Portfolio	The meaning given to it in the section " <i>Summary of the Principal Documents – Establishment Deed – Method of Sale of Selected Loans</i> ";
Paying Agents	The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the CDP Paying Agent, the DTC Paying Agent and such further or other Paying Agent or Agents as may be appointed from time to time under the Agency Agreement;
Payment Ledger	The ledger on the Transaction Account of such name maintained by the Cash Manager pursuant to the Cash Management Agreement to record the credits and debits of the Available Revenue Receipts and Available Principal Receipts for application in accordance with the relevant Priority of Payments;
Perfection Events	(a) the occurrence of an Issuer Event of Default and service on the Issuer of an Issuer Acceleration Notice and the service on the Covered Bond Guarantor of a Notice to Pay (or, if earlier, following the occurrence of a CBG Event of Default and service of a Covered Bond Guarantor Acceleration Notice), except that such submission or delivery in respect of Selected Loans described in a Selected Loans Offer Notice is not required if the Seller has notified the Covered Bond Guarantor that it will accept the offer set out in the Selected Loans Offer Notice within the prescribed time; (b) in respect of Selected Loans only, at the request of the Covered Bond Guarantor following the acceptance of any offer to sell the Selected Loans to any Purchaser who is not the Seller; (c) the Seller and/or the Covered Bond Guarantor being required: (i) by law; (ii) by an order of a court of competent jurisdiction; (iii) by a regulatory authority which has jurisdiction over the Seller; or (iv) by any organisation of which the Seller is a member, or whose members comprise, but are not necessarily limited to, mortgage lenders and with whose instructions it is customary for the Seller to comply, to transfer legal title to the Non-CPF Loans; (d) the occurrence of an Insolvency Event in respect of the Seller; (e) the termination or resignation of the Seller as Servicer under the Servicing Agreement unless: (i) at the relevant date of termination or resignation, any substitute servicer is a member of the SCBSL Group; or (ii) the Security Trustee otherwise consents (such consent to be given if a Rating Agency Confirmation has been delivered by the Issuer to the Covered Bond Guarantor and the Security Trustee in respect of the termination or resignation of the Seller as Servicer); (f) the Seller requesting a transfer of legal title (i) to the Covered Bond Guarantor or (ii) (where applicable) the Relevant Purchaser, by giving notice in writing to the Covered Bond Guarantor and the Security Trustee; or (g) the Seller's long-term unsecured and unsubordinated debt obligations cease to be rated at least Baa3 by Moody's and BBB- by S&P;

Portfolio	The Initial Portfolio and each New Portfolio acquired by the Covered Bond Guarantor;
Post-Enforcement Priority of Payments	The meaning given in the section " <i>Cashflows and Priorities of Payments – Post-Enforcement Priority of Payments</i> ";
Potential Covered Bond Guarantor Event of Default	An event or circumstance that could with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement provided for in Condition 9(b) (<i>Covered Bond Guarantor Events of Default</i>) become a Covered Bond Guarantor Event of Default;
Potential Issuer Event of Default	An event or circumstance which could with the giving of notice, lapse of time, issue of a certificate and/or fulfilment of any other requirement provided for in Condition 9(a) (<i>Issuer Events of Default</i>) become an Issuer Event of Default;
Pre-Acceleration Principal Priority of Payments	The meaning given in the section " <i>Cashflows and Priorities of Payments – Allocation and Distribution of Available Principal Receipts prior to service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice, a Notice to Pay or a Covered Bond Guarantor Acceleration Notice or following revocation of an Asset Coverage Test Breach Notice</i> ";
Pre-Acceleration Revenue Priority of Payments	The meaning given in the section " <i>Cashflows and Priorities of Payments – Allocation and Distribution of Available Revenue Receipts prior to service on the Covered Bond Guarantor of an Asset Coverage Test Breach Notice, a Notice to Pay or a Covered Bond Guarantor Acceleration Notice or following revocation of an Asset Coverage Test Breach Notice</i> ";
Pre-Maturity Liquidity Ledger	The ledger on the Transaction Account of such name maintained by the Cash Manager pursuant to the Cash Management Agreement to record the credits and debits of monies available to repay any series of Hard Bullet Covered Bonds on the Maturity Date thereof if the Pre-Maturity Test has been breached;
Pre-Maturity Test	The meaning given in the section " <i>Credit Structure including Asset Tests – Pre-Maturity Liquidity</i> ";
Pre-Maturity Test Date	Each Singapore Business Day prior to the occurrence of an Issuer Event of Default or the occurrence of a Covered Bond Guarantor Event of Default;
Principal Balance	For any Loan as at any given date, the aggregate principal balance of such Loan at such date (but avoiding double counting) including the following: the Initial Advance and any further amount advanced on or before the given date to the relevant Borrower or the relevant Mortgagor (as the case may be) secured or intended to be secured by the related Mortgage; the Capitalised Expenses; and the Capitalised Interest, as at the end of the calendar day immediately preceding that given date less any repayment, prepayment or payment of any of the foregoing made on or before the end of the calendar day immediately preceding that given date and excluding (x) any retentions made but not released, (y) any Accrued Interest and Arrears of Interest and (z) any Top-up Loans;

Principal Ledger	The ledger on the Transaction Account of such name maintained by the Cash Manager pursuant to the Cash Management Agreement to record the credits and debits of Principal Receipts in accordance with the terms of the Establishment Deed;
Principal Receipts	(a) Principal repayments under the Loans (including payments of arrears, Capitalised Interest and Capitalised Expenses); (b) recoveries of principal from defaulting Borrowers and/or Mortgagors (as the case may be) under Loans being enforced (including the proceeds of sale of the relevant Property); (c) any payment pursuant to any insurance policy in respect of a Property in connection with a Loan in the Portfolio; and (d) the proceeds, if any, of the repurchase of any Loan by the Seller from the Covered Bond Guarantor pursuant to the Mortgage Sale Agreement or (as the case may be) the Declaration of Assets Trust (excluding, for the avoidance of doubt, amounts attributable to Accrued Interest and Arrears of Interest thereon as at the relevant repurchase date), and, for the avoidance of doubt, excludes all payments in respect of All Monies Trust Property which the Seller is entitled to, principal amounts referred to in the Intercompany Loan Agreement and principal repayments in respect of Top-up Loans. Principal repayments in respect of Demand Loan Repayment Assets and Top-up Loans shall not constitute Available Principal Receipts;
Priorities of Payments	The Post-Enforcement Priority of Payments, the Guarantee Priority of Payments, the Pre-Acceleration Revenue Priority of Payments and the Pre-Acceleration Principal Priority of Payments (each a " Priority of Payment ");
Programme	The USD5,000,000,000 Covered Bond programme established by, or otherwise contemplated in, the Programme Agreement and the Bond Trust Deed;
Programme Agreement	The amended and restated programme agreement dated 7 April 2026 (as amended, restated, supplemented or novated from time to time) among the Issuer, the Seller, the Covered Bond Guarantor, the Sole Arranger and the Dealers named therein (or deemed named therein) concerning the purchase of Covered Bonds to be issued pursuant to the Programme together with any accession letters and/or agreements supplemental thereto;
Programme Date	7 April 2026;
Programme Dealer	SCB and SCBSL;
Property	A freehold or leasehold residential property located in Singapore which is subject to a Mortgage;
Property Tax Act	Property Tax Act 1960 of Singapore, as amended, and any regulations made pursuant to it;
Purchase Price	(a) The Initial Purchase Price; and (b) the consideration to be paid by the Covered Bond Guarantor to the Seller in consideration of the Seller's sale of the relevant New Portfolio to the Covered Bond Guarantor;

Purchaser	Any third party or the Seller to whom the Covered Bond Guarantor offers to sell Selected Loans and (in the case of a third party) which is an "excluded money lender" or "exempt moneylender" within the meaning given under the Moneylenders Act;
QIB	A qualified institutional buyer within the meaning of Rule 144A;
Random Basis	Any process which selects Loans and their Related Security on a basis that is not designed to favour the selection of any identifiable class or type or quality of Loans and their Related Security over all the Loans and their Related Security in the Portfolio;
Rating Agencies	Moody's and S&P, to the extent any of them provide(s) ratings in respect of the covered Bonds, (and each a " Rating Agency ");
Rating Agency Confirmation	(i) a written confirmation from each Rating Agency that the relevant amendment, action, determination or appointment will not result in the reduction, qualification, suspension or withdrawal of the then current ratings assigned to any outstanding Covered Bonds rated by that Rating Agency; or (ii) a certification in writing by an authorised signatory of the Issuer or, following the occurrence of an Issuer Event of Default, the Covered Bond Guarantor to the Security Trustee and the Bond Trustee stating that the relevant amendment, action, determination or appointment has been notified to the Rating Agencies and, in its opinion, would not cause the then current ratings assigned to any outstanding Covered Bonds to be reduced, qualified, suspended or withdrawn by any Rating Agency and, where a Rating Agency was prepared to consult with the Issuer or the Covered Bond Guarantor, as applicable, on its behalf, such opinion is based on such consultation with the relevant Rating Agency; provided however that it is understood that the Rating Agencies shall be under no obligation to provide a Rating Agency Confirmation;
Reasonable, Prudent Mortgage Lender	The Seller and/or the Servicer, as applicable, acting in accordance with the standards of a reasonably prudent residential mortgage lender lending to borrowers in Singapore who generally satisfy the lending criteria of traditional sources of residential mortgage capital;
Receiptholders	The holders of the Receipts;
Receipts	The receipts for the payment of instalments of principal in respect of Covered Bonds in bearer form of which the principal is repayable in instalments or, as the context may require, a specific number of them and includes any replacement Receipts issued pursuant to the Conditions;
Reference Index	Any index of house prices in Singapore that a Reasonable, Prudent Mortgage Lender would use for valuation purposes;
Reference Indexed Valuation	In relation to a Property at any date, the Valuation of the Property increased or decreased as appropriate by the increase or decrease in the Reference Index since the date of that Valuation;
Registrar	The Bank of New York Mellon SA/NV, Dublin Branch in respect of each Series of Covered Bonds (other than CMU Covered Bonds, CDP Covered Bonds and DTC Covered Bonds), The Bank of New York Mellon, Singapore Branch in respect of each Series of CDP Covered Bonds, The Bank of New York Mellon, Hong Kong Branch in respect

of each Series of CMU Covered Bonds and The Bank of New York Mellon in respect of each Series of DTC Covered Bonds, or, if applicable, any successor registrar in relation to all or any Series of the Covered Bonds;

Registrar of Titles

The Registrar of Titles appointed under Section 5 of the Land Titles Act;

Regulation S

Regulation S under the Securities Act;

Related Security

In relation to a Loan, the security for the repayment of that Loan including (i) the relevant Mortgage and (ii) all other matters applicable thereto acquired as part of the Portfolio sold to the Covered Bond Guarantor pursuant to the Mortgage Sale Agreement, and the Declaration of Assets Trust, including (without limitation):

- (a) the benefit of all consents, guarantees, indemnities and postponements from persons having an interest in or rights in connection with the relevant Property or third parties;
- (b) each right of action of the Seller against any person (including, without limitation, any valuer, solicitor and any registrar or registry) in connection with any report, valuation, opinion, certificate or other statement of fact or opinion (including, without limitation, each Valuation Report) given or received in connection with all or part of that Loan and its Related Security or affecting the decision of the Seller to make or offer to make all or part of that Loan;
- (c) the benefit of (including, without limitation, the rights as the insured person under and as notations of interest on, returns of premium and proceeds of claims under) insurance and assurance policies deposited, charged, obtained, or held in connection with that Loan, Mortgage and/or Property and Loan File; and
- (d) the Seller's present and future rights, estate, title, interests, benefits and remedies in and to:
 - (1) the Loan Agreement in relation to that Loan which for the avoidance of doubt, does not include the Seller's present and future rights, estate, title, interests, benefits and remedies in respect of the Associated Debt or any other loans or facilities made or to be made to the relevant Borrower or Mortgagor;
 - (2) (in the case of a Loan in respect of which the CPF Withdrawal Approval has been obtained prior to the Cut-off Date of such Loan) the relevant deeds of arrangements, deeds/ instruments of postponement, confirmations of priority arrangement, confirmation letters and/or such other written agreements, confirmations and letters in respect of the priority accorded to the Seller in the application of the sale proceeds realised upon the sale of the relevant Properties pursuant to the Central Provident Fund (Residential Properties Scheme) Regulations 1982 of Singapore, if any; and
 - (3) all monies which may at any time from the date of the relevant Deed of Assignment, the Declaration of Assets Trust or the relevant Notice of Inclusion of Trust Assets

(as the case may be) be received by or payable to the Seller under or in connection with the relevant Mortgage in respect of that Loan and the relevant Top-up Loans, whether on account of any claims, awards and judgments made or given under or in connection with the relevant Mortgage in respect of that Loan and the relevant Top-up Loans or otherwise howsoever;

Relevant Purchaser	In relation to a Loan and its Related Security (and any related Top-up Loans), any person (i) who is an "excluded moneylender" or "exempt moneylender" within the meaning given under the Moneylenders Act and (ii) who, in accordance with the terms of the Transaction Documents, purchases such Loan and its Related Security (and any related Top-up Loans) from the Covered Bond Guarantor and any subsequent purchaser thereof, where such person has acceded to the Mortgage Sale Agreement and the Declaration of Assets Trust in accordance with the terms thereunder;
Relevant Series of Covered Bonds	The meaning given in the section " <i>Structure Overview – Structure Overview</i> ";
Remittance Date	In relation to a Calculation Period, the date which is two Singapore Business Days prior to the CBG Payment Date following the end of that Calculation Period;
Replacement Assets Trustee	Such entity or financial institution: (i) as may be selected by the CBG Beneficiary and the Security Trustee to act as the assets trustee under the Assets Trust; and (ii) which is an "excluded moneylender" or "exempt moneylender" within the meaning given under the Moneylenders Act;
Replacement Assets Trustee Events	The meaning given in the section " <i>Summary of the Principal Documents – Declaration of Assets Trust – Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee</i> ";
Report on Title	A solicitor's report of title obtained by or on behalf of the Seller in respect of each Property;
Representations and Warranties	The representations and warranties as set out in the section " <i>Summary of the Principal Documents – Mortgage Sale Agreement – Representations and Warranties</i> ";
Required Redemption Amount	The meaning given in the section " <i>Summary of the Principal Documents – Mortgage Sale Agreement – Right of Pre-emption</i> ";
Required Principal Balance Amount	The meaning given in the section " <i>Summary of the Principal Documents – Establishment Deed – Method of Sale of Selected Loans</i> ";
Requisite CPF Loan Legal Title Transfer Approval	The meaning given in the section " <i>Summary of the Principal Documents – Declarations of Assets Trust – Transfer of title to the CPF Loans and appointment of a Replacement Assets Trustee</i> ";
Reserve Fund	The reserve fund that the Covered Bond Guarantor will be required to establish in the Transaction Account up to an aggregate amount equal to the Reserve Fund Required Amount;
Reserve Fund Required Amount	The meaning given in the section " <i>Credit Structure including Asset Tests – Reserve Fund</i> ";

Reserve Ledger	The ledger on the Transaction Account of such name maintained by the Cash Manager pursuant to the Cash Management Agreement, to record the crediting of Advances or Subordinated Advances (to the extent such amount represents the amount drawn under the Intercompany Loan Agreement or the Subordinated Loan Agreement to fund the Reserve Fund) and Revenue Receipts to the Reserve Fund and the debiting of such Reserve Fund in accordance with the terms of the Establishment Deed;
Reset Date	The meaning given in the ISDA Definitions;
Residential Property	The meaning given in the section " <i>Regulation/Legal Aspects of the Singapore Residential Mortgage Market – Regulation Aspects of the Singapore Residential Mortgage Market</i> ";
Revenue Ledger	The ledger on the Transaction Account of such name maintained by the Cash Manager pursuant to the Cash Management Agreement to record credits and debits of Revenue Receipts in accordance with the terms of the Establishment Deed;
Revenue Receipts	(a) payments of interest (including Accrued Interest and Arrears of Interest) and other fees due from time to time under the Loans and other amounts received by the Covered Bond Guarantor in respect of the Loans other than the Principal Receipts; (b) recoveries of interest from defaulting Borrowers and/or Mortgagors (as the case may be) under Loans being enforced; and (c) recoveries of interest from defaulting Borrowers and/or Mortgagors (as the case may be) under Loans in respect of which enforcement procedures have been completed, and for the avoidance of doubt, excludes all payments in respect of Third Party Amounts and Top-up Loans;
RMB Covered Bonds	Covered Bonds denominated in Renminbi issued under the Programme;
Rule 144A	Rule 144A under the Securities Act;
Sale Adviser	The meaning given in the section " <i>Summary of the Principal Documents – Establishment Deed – Method of Sale of Selected Loans</i> ";
Sale Proceeds	The cash proceeds realised from the sale of Selected Loans;
SCB	Standard Chartered Bank;
SCBSL	Standard Chartered Bank (Singapore) Limited;
SCBSL Group	Standard Chartered Bank (Singapore) Limited and its consolidated subsidiaries collectively;
Scheduled Interest	An amount equal to the amount in respect of interest which would have been due and payable under the Covered Bonds on each Interest Payment Date as specified in Condition 4 (<i>Interest and other Calculations</i>) (but excluding any additional amounts relating to premiums, default interest or interest upon interest (Excluded Scheduled Interest Amounts) payable by the Issuer following an Issuer Event of Default but including such amounts (whenever the same arose) following service of a Covered Bond Guarantor Acceleration Notice) as if the Covered Bonds had not become due and repayable prior to their Maturity Date and, if the Pricing Supplement specified that an Extended Due for Payment Date is applicable to the relevant Covered Bonds, as if

	the maturity date of the Covered Bonds had been the Extended Due for Payment Date (but taking into account any principal repaid in respect of such Covered Bonds or any Guaranteed Amounts paid in respect of such principal prior to the Extended Due for Payment Date), less any additional amounts the Issuer would be obliged to pay as a result of any gross-up in respect of any withholding or deduction made under the circumstances set out in Condition 7 (<i>Taxation</i>);
Scheduled Payment Date	In relation to payments under the Covered Bond Guarantee, each Interest Payment Date or the Maturity Date as if the Covered Bonds had not become due and repayable prior to their Maturity Date;
Scheduled Principal	An amount equal to the amount in respect of principal which would have been due and repayable under the Covered Bonds on each Interest Payment Date or the Maturity Date (as the case may be) as specified in Condition 5(a) (<i>Redemption by Instalments and Final Redemption</i>), Condition 5(c) (<i>Redemption for Taxation Reasons</i>), Condition 5(d) (<i>Redemption at the Option of the Issuer</i>) and Condition 5(e) (<i>Redemption due to Illegality</i>) (but excluding any additional amounts relating to prepayments, early redemption, broken funding indemnities, penalties, premiums or default interest (Excluded Scheduled Principal Amounts) payable by the Issuer following an Issuer Event of Default but including such amounts (whenever the same arose) following service of a Covered Bond Guarantor Acceleration Notice) as if the Covered Bonds had not become due and repayable prior to their Maturity Date and, if the Pricing Supplement specifies that an Extended Due for Payment Date is applicable to the relevant Covered Bonds, as if the maturity date of the Covered Bonds had been the Extended Due for Payment Date;
Section 55B/C Court Order	The meaning given in the section " <i>Summary of the Principal Documents – Declaration of Assets Trust – Section 55B of the Banking Act</i> ";
Section 55B/C Transfer	The meaning given in the section " <i>Summary of the Principal Documents – Declaration of Assets Trust – Section 55B of the Banking Act</i> ";
Sections 210/212 Court Order	The meaning given in the section " <i>Summary of the Principal Documents – Declaration of Assets Trust – Sections 210 and 212 of the Companies Act</i> ";
Sections 210/212 Scheme	The meaning given in the section " <i>Summary of the Principal Documents – Declaration of Assets Trust – Sections 210 and 212 of the Companies Act</i> ";
Secured Creditors	The Security Trustee (in its own capacity and on behalf of the other Secured Creditors), the Bond Trustee (in its own capacity and on behalf of the Covered Bondholders), the Covered Bondholders, the Receiptholders, the Couponholders, the Issuer, the Seller, the Intercompany Loan Provider, the Ancillary Intercompany Loan Provider, the Subordinated Loan Provider, the Servicer, the Account Bank, the Cash Manager, the Interest Rate Swap Provider, the Covered Bond Swap Provider, the Corporate Services Provider, the Paying Agents and any other person which becomes a Secured Creditor pursuant to the Deeds of Charge;
Secured Obligations	Any and all monies, obligations and liabilities and all other amounts due, owing, payable or owed by the Covered Bond Guarantor which the Covered Bond Guarantor covenants and undertakes to pay and discharge pursuant to the Deeds of Charge and all claims, demands or damages for

	breach of any such covenant, and references to Secured Obligations includes references to any of the same;
Securities Act	United States Securities Act of 1933, as amended;
Security	The meaning given in the section " <i>Summary of the Principal Documents – Deeds of Charge</i> ";
Security Interest	Any mortgage, sub mortgage, charge, sub charge, pledge, lien (other than a lien arising in the ordinary course of business or by operation of law) or other encumbrance or security interest howsoever created or arising in any jurisdiction;
Security Trustee	The Bank of New York Mellon, Singapore Branch, in its capacity as security trustee under the Bond Trust Deed and the Deeds of Charge together with any successor security trustee or additional security trustees appointed from time to time;
Selected Loans	Loans and their Related Security (and, where applicable, any related Top-up Loans) to be sold by the Covered Bond Guarantor pursuant to the terms of the Establishment Deed having in aggregate the Required Principal Balance Amount;
Selected Loans Offer Notice	A notice substantially in the form set out in the Mortgage Sale Agreement or (as the case may be) the Declaration of Assets Trust, and served in accordance with the terms of the Mortgage Sale Agreement or (as the case may be) the Declaration of Assets Trust;
Selected Loans Repurchase Notice	A notice substantially in the form set out in the Mortgage Sale Agreement or (as the case may be) the Declaration of Assets Trust, and served in accordance with the terms of the Mortgage Sale Agreement or (as the case may be) the Declaration of Assets Trust;
Seller	SCBSL;
Seller Share	The part of the All Monies Trust Property comprised in each All Monies Trust to which the Seller is entitled as determined and calculated in accordance with the CBG Declaration Trusts;
Seller's Policy	The originating, underwriting, administration, arrears and enforcement policy applied by the Seller from time to time to loans and the security for their repayment which are beneficially owned solely by the Seller or, at any time when the Servicer is not also the Seller, the policies and procedures from time to time which would be adopted by a Reasonable, Prudent Mortgage Lender;
Series	A series of Covered Bonds 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;
Servicer	SCBSL in its capacity as servicer under the Servicing Agreement or any successor servicer appointed from time to time;
Servicer Event of Default	Any of the following events: (a) the Servicer defaults in the payment on the due date of any payment due and payable by it under this Agreement and such default continues unremedied for a period of 10 Singapore Business Days after the earlier of the Servicer becoming aware of such default and receipt by the Servicer of written notice from the Security Trustee, the Covered Bond Guarantor, the Assets

	Trustee or the CBG Beneficiary requiring the same to be remedied;
	(b) the Servicer fails to comply with any of its other obligations under this Agreement, which failure in the reasonable opinion of the Security Trustee is materially prejudicial to the Covered Bondholders and does not remedy that failure within the earlier of 30 Singapore Business Days after becoming aware of the failure and receipt by the Servicer of written notice from the Security Trustee, the Assets Trustee, the CBG Beneficiary or the Covered Bond Guarantor requiring the same to be remedied, PROVIDED THAT where the relevant default occurs as a result of a default by any person to whom the Servicer has sub-contracted or delegated part of its obligations hereunder, such default shall not constitute a Servicer Termination Event if, within such period of 30 Singapore Business Days of receipt of such notice from the Covered Bond Guarantor, the Assets Trustee, the CBG Beneficiary and the Security Trustee, the Servicer terminates the relevant sub- contracting or delegation arrangements and takes such steps as the Covered Bond Guarantor, the Assets Trustee, the CBG Beneficiary and the Security Trustee may (acting on the instructions of the Bond Trustee) specify to remedy such default or to indemnify the Covered Bond Guarantor, the Assets Trustee, the CBG Beneficiary and/or the Security Trustee against the consequences of such default; (c) the Servicer is relieved from its obligations under this Agreement pursuant to the terms of the Servicing Agreement for a period of 30 consecutive Singapore Business Days (d) the Servicer's long-term, unsecured and unsubordinated debt obligations cease to be rated at least Baa3 by Moody's or at least BBB- by S&P; or (e) an Insolvency Event occurs in relation to the Servicer;
Servicer's Remittance Rating	In respect of the Servicer, a short-term unsecured and unsubordinated debt obligation rating that is at least P-1 from Moody's and a long-term unsecured and unsubordinated debt obligation rating that is at least BBB from S&P;
Servicer Termination Event	Any of the following events: (a) the Servicer defaults in the payment on the due date of any payment due and payable by it under this Agreement and such default continues unremedied for a period of 10 Singapore Business Days after the earlier of the Servicer becoming aware of such default and receipt by the Servicer of written notice from the Security Trustee, the Covered Bond Guarantor, the Assets Trustee or the CBG Beneficiary requiring the same to be remedied; (b) the Servicer fails to comply with any of its other obligations under this Agreement, which failure in the reasonable opinion of the Security Trustee is materially prejudicial to the Covered Bondholders and does not remedy that failure within the earlier of 30 Singapore Business Days after becoming aware of the failure and receipt by the Servicer of written notice from the Security Trustee, the Assets Trustee, the CBG Beneficiary or

the Covered Bond Guarantor requiring the same to be remedied, **PROVIDED THAT** where the relevant default occurs as a result of a default by any person to whom the Servicer has sub-contracted or delegated part of its obligations hereunder, such default shall not constitute a Servicer Termination Event if, within such period of 30 Singapore Business Days of receipt of such notice from the Covered Bond Guarantor, the Assets Trustee, the CBG Beneficiary and the Security Trustee, the Servicer terminates the relevant sub- contracting or delegation arrangements and takes such steps as the Covered Bond Guarantor, the Assets Trustee, the CBG Beneficiary and the Security Trustee may (acting on the instructions of the Bond Trustee) specify to remedy such default or to indemnify the Covered Bond Guarantor, the Assets Trustee, the CBG Beneficiary and/or the Security Trustee against the consequences of such default;

- (c) the Servicer is relieved from its obligations under this Agreement pursuant to the terms of the Servicing Agreement for a period of 30 consecutive Singapore Business Days
- (d) the Servicer's long-term, unsecured and unsubordinated debt obligations cease to be rated at least Baa3 by Moody's or at least BBB- by S&P; or
- (e) an Insolvency Event occurs in relation to the Servicer;
- (f) the Covered Bond Guarantor, the Assets Trustee (with the consent of or as directed by the CBG Beneficiary) and the CBG Beneficiary resolve after due consideration and acting reasonably that the appointment of the Servicer should be terminated;

Servicing Agreement

The servicing agreement dated 7 April 2026 (as amended, restated, supplemented and novated from time to time) and made among the Covered Bond Guarantor, the CBG Beneficiary, the Seller, the Servicer, the Assets Trustee and the Security Trustee;

Set-off Amount

The aggregate as at the relevant Calculation Date of all deposits (placed with the Seller) of each Borrower or each Mortgagor (as the case may be) having a Loan or Loans (whether the Borrower or the Mortgagor (as the case may be) has assumed the obligation to repay any such Loan or any part of it jointly, severally or otherwise) in the Portfolio as at the relevant Calculation Date, **provided that:**

- (a) where a Borrower or a Mortgagor (as the case may be) has more than one Loan in the Portfolio, any such deposits shall only be counted and aggregated once;
- (b) there shall be excluded and not aggregated any deposits, that are not accepted in Singapore dollars and not on terms under which the deposits may be repaid by the Seller in Singapore dollars, of the Borrower or the Mortgagor (as the case may be) placed with the Seller, and all references to deposits in relation to this definition shall not include any such deposits;
- (c) there shall be excluded and not aggregated any deposits of the Borrower or the Mortgagor (as the case may be) placed with the Seller, where:

- (i) a court of competent jurisdiction in Singapore issues a final and non-appealable judgment, order or direction; or
- (ii) the MAS or any other body having for the time being the power to regulate banks and financial institutions in Singapore directs or notifies the Seller in writing or issues a specific or applicable directive or notice in writing; or
- (iii) the Security Trustee agrees; or
- (iv) the statutory manager, statutory adviser, the liquidator, judicial manager, trustee, administrator or similar officer (including in each case, such provisional and interim officers) of the Seller opines or determines, with any such judgement being final and non-appealable; or
- (v) a law or regulation is passed or made in Singapore to the effect,

that all and any applicable legislation, law and/or regulation conferring priority in insolvency to set-off rights of depositors' liabilities against bank deposits in respect of banks in Singapore:

- (A) has no application at all or is abrogated or replaced; or
- (B) has no application in any particular circumstances and such circumstance or circumstances exist as at the relevant Calculation Date;
- (d) there shall be excluded and not aggregated:
 - (i) in the case where any Loan has or Loans have the same Borrower or Borrowers, or the same Mortgagor or Mortgagors (as the case may be), such amount of total deposit(s) of the Borrower or Borrowers, or the same Mortgagor or Mortgagors (as the case may be) in relation to such Loan(s) in excess of such Loan(s) as at the Calculation Date; or
 - (ii) in the case of Loans with multiple Borrowers or multiple Mortgagors (as the case may be) where at least one of the Borrowers or one of the Mortgagors is common across the Loans, such amount of the total deposits of all the Borrowers and/or the Mortgagors (as the case may be) in excess of the maximum amount of such Loans that could be appropriated against deposits held by such Borrower(s) or such Mortgagor(s) (as the case may be) as at the Calculation Date;

SFA	Securities and Futures Act 2001 of Singapore, as amended, and any regulations made pursuant to it;
SGD/Singapore dollars	The lawful currency of Singapore;
SGD Equivalent	In relation to a Covered Bond which is denominated in (i) a currency other than Singapore dollars, the Singapore dollar equivalent of such amount ascertained using the relevant Covered Bond Swap Rate relating

	to such Covered Bond and (ii) Singapore dollars, the applicable amount in Singapore dollars;
Share Trustee	CSCGlobal Trust (Singapore) Ltd. (formerly known as Intertrust (Singapore) Ltd.) (UEN/Company Registration No. 200301038K);
Singapore Business Day	A day (other than Saturday and Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Singapore;
Singapore Deed of Charge	The Singapore deed of charge dated 7 April 2026 (as amended, restated, supplemented or novated from time to time) and made among the Covered Bond Guarantor, the CBG Beneficiary, the Issuer, the Seller, the Assets Trustee, the Cash Manager, the Servicer, the Account Bank, the Intercompany Loan Provider, the Ancillary Intercompany Loan Provider, the Subordinated Loan Provider, the Covered Bond Swap Provider, the Interest Rate Swap Provider, the Agents, the Corporate Services Provider, the Bond Trustee, the Security Trustee and certain other Secured Creditors (and governed by Singapore law);
Singapore Dollar LCR Requirement	Singapore Dollar liquidity cover ratio to be maintained by a bank incorporated and headquartered in Singapore as required under MAS Notice 649;
Singapore Land Authority	The Singapore Land Authority established under the Singapore Land Authority Act 2001 of Singapore, as amended, and any regulations made pursuant to it;
Single Mortgage Bundle	The Loans (including Defaulted Loans and Selected Loans) and their Related Security (and any related Top-up Loans) sold by the Covered Bond Guarantor or the Assets Trustee (on behalf of the CBG Beneficiary) as part of the same offer;
Sole Arranger	SCBSL;
Specified Currency	Subject to any applicable legal or regulatory restrictions, Singapore dollars, euro, Sterling, U.S. dollars and such other currency or currencies as may be agreed from time to time by the Issuer, the relevant Dealer(s), the Issuing and Paying Agent and the Bond Trustee and specified in the applicable Pricing Supplement;
Specified Denomination	In respect of a Series of Covered Bonds, the denomination or denominations of such Covered Bonds specified in the applicable Pricing Supplement;
Staff Mortgage Loan	A loan recorded by the Seller as being a loan to its employee;
Standard Documentation	The standard documentation, annexed to the relevant exhibit of the Mortgage Sale Agreement or any update or replacement therefor as the Seller may from time to time introduce acting in accordance with the standards of a Reasonable, Prudent Mortgage Lender;
State Lands Act	State Lands Act 1920 of Singapore, as amended, and any regulations made pursuant to it;
Subordinated Advance	An amount advanced, or to be advanced, by the Subordinated Loan Provider to the Covered Bond Guarantor under the Subordinated Loan Agreement, including Deemed Subordinated Advances;
Subordinated Loan	The aggregate outstanding principal amount of the Subordinated Advances pursuant to the Subordinated Loan Agreement;

Subordinated Loan Agreement	The subordinated loan agreement dated 7 April 2026 (as amended, restated, supplemented or novated from time to time) and made between the Subordinated Loan Provider, the Covered Bond Guarantor, the CBG Beneficiary, the Assets Trustee, the Cash Manager and the Security Trustee;
Subordinated Loan Facility	The facility made available by the Subordinated Loan Provider to the Covered Bond Guarantor under the Subordinated Loan Agreement;
Subordinated Loan Ledger	The ledger of such name maintained by the Cash Manager pursuant to the Cash Management Agreement to record all payments of interest and repayments of principal on each of the Subordinated Advances and the Deemed Subordinated Advances;
Subordinated Loan Provider	SCBSL;
Subscription Agreement	An agreement supplemental to the Programme Agreement (by whatever name called) in or substantially in the form set out in the Programme Agreement or in such other form as may be agreed among the Issuer, the Covered Bond Guarantor and the Lead Manager or one or more Dealers (as the case may be);
Subsidiary	Any company which is for the time being a subsidiary (within the meaning of Section 5 of the Companies Act);
Substitution Assets	(a) cash in any currency; (b) any securities issued by the MAS under the MAS Act; (c) any security or equivalent instrument issued under the Government Securities Act and any Treasury bill or equivalent instrument issued under the Local Treasury Bills Act; or (d) any other asset or class of assets which may be specified by the MAS as satisfying the requirements for eligible assets pursuant to MAS Notice 648;
Swap Agreement	Each Covered Bond Swap Agreement and each Interest Rate Swap Agreement(s) (if any) (each a Swap Agreement);
Swap Collateral	At any time, any asset (including, without limitation, cash and/or securities) which is paid or transferred by a Swap Provider to the Covered Bond Guarantor as collateral to secure the performance by such Swap Provider of its obligations under the relevant Swap Agreement together with any income or distributions received in respect of such asset and any equivalent of such asset into which such asset is transformed;
Swap Collateral Account	An account in the name of the Covered Bond Guarantor held with the Account Bank or such other bank from time to time, as applicable, into which Swap Collateral in respect of an Interest Rate Swap (if any) or a Covered Bond Swap may be deposited in accordance with the terms of any applicable Swap Agreement;
Swap Collateral Account Ledger	The ledger on the Transaction Account of such name maintained by the Cash Manager pursuant to the Cash Management Agreement to record the credits and debits of Swap Collateral in accordance with the terms of the Swap Agreements;

Swap Collateral Available Amounts	At any time, the amount of Swap Collateral which under the terms of the relevant Swap Agreement may be applied at that time in satisfaction of the relevant Swap Provider's obligations to the Covered Bond Guarantor to the extent that such obligations relate to payments to be made in connection with the Pre-Acceleration Revenue Priority of Payments or the Guarantee Priority of Payments;
Swap Collateral Excluded Amounts	At any time, the amount of Swap Collateral which may not be applied under the terms of the relevant Swap Agreement at that time in satisfaction of the relevant Swap Provider's obligations to the Covered Bond Guarantor, including Swap Collateral which is to be returned to the relevant Swap Provider from time to time in accordance with the terms of the Swap Agreements and ultimately upon termination of the relevant Swap Agreement;
Swap Provider Default	The occurrence of an Event of Default or Termination Event (each as defined in each of the Swap Agreements) where the relevant Swap Provider is the Defaulting Party or the sole Affected Party (each as defined in the relevant Swap Agreement), as applicable, other than a Swap Provider Downgrade Event;
Swap Provider Downgrade Event	The occurrence of an Additional Termination Event or an Event of Default (each as defined in the relevant Swap Agreement) following a failure by the relevant Swap Provider to comply with the requirements of the ratings downgrade provisions set out in the relevant Swap Agreement;
Swaps	The Covered Bond Swaps together with the Interest Rate Swap (if any);
Swap Providers	Each Covered Bond Swap Provider and each Interest Rate Swap Provider (if any), each a Swap Provider;
S&P	S&P Global Ratings Australia Pty Ltd, and its affiliates and successors, as the case may be;
Talons	Talons for further Coupons or, as the context may require, a specific number of them and includes any replacement Talons issued pursuant to the Conditions;
Tax Credit	A credit against any Tax or any relief or remission for Tax (or its repayment);
Taxes	All present and future taxes, levies, imposts, duties (including stamp and transaction duties), fees, deductions, withholdings or charges of any nature whatsoever and wheresoever imposed, except if imposed on, or calculated having regard to the net income of the relevant party, but including, without limitation, income tax, company tax, corporation tax, goods and services tax or value added tax or other tax in respect of added value and any franchise, transfer, sales, gross receipts, use, business, occupation, excise, personal property, real property or other tax imposed by any national, local or supranational taxing or fiscal authority or agency, together with any penalties, fines or interest, and Tax and Taxation shall be construed accordingly;
TDSR	Total Debt Servicing Ratio framework for property loans implemented by the MAS;
Test Date	The 10th day of each month or if not a Singapore Business Day the next following Singapore Business Day;

Third Party Amounts

Each of:

- (a) amounts under an unpaid direct debit which are repaid by the Seller to the bank making such payment if such bank is unable to recoup that amount itself from its customer's account;
- (b) payments by the Borrower and/or the Mortgagor (as the case may be) of any fees and other charges (including cancellation fees, late payment fees, conversion fees, re-pricing fees, administrative or processing fees and any other costs and expenses recoverable from the Borrower and/or the Mortgagor (as the case may be) pursuant to the Loan Agreement) which are due to the Seller, together with any goods and services tax in connection therewith (excluding any Early Repayment Charges);
- (c) any amounts due or arising from any overpayment by any person or arising from any reimbursement by any person of any such overpayment (including, for the avoidance of doubt, where arising from the failure of a direct debit);
- (d) (subject to any right to refuse or withhold payment or of set-off that has arisen by reason of the Borrower's and/or the Mortgagor's (as the case may be) breach of the terms of the relevant Mortgage or Loan) any amount payable to a Borrower or a Mortgagor (as the case may be) under the terms of the Mortgage or the Loan to which that Borrower and/or that Mortgagor (as the case may be) is a party (other than a Top-up Loan);
- (e) any amounts owed to the Seller pursuant to the terms of the Mortgage Sale Agreement and the terms of the Declaration of Assets Trust; and
- (f) any amount received from a Borrower or a Mortgagor (as the case may be) for the express purpose of payment being made to a third party for the provision of a service (including provision of legal or valuation services, giving insurance cover) to any of that Borrower or any of that Mortgagor (as the case may be) or the Seller or the Covered Bond Guarantor,

which amounts may be paid daily from monies on deposit in the CBG Accounts;

Title Deeds

In relation to each Loan and its Related Security and the Property relating thereto, all conveyancing deeds and documents or evidence of title which make up the title to the Property and the security for the Loan and all searches and enquiries undertaken in connection with the grant by the Borrower and/or Mortgagor of the related Mortgage;

TLAC

Total loss-absorbing capacity;

Top-up Loan

A loan:

- (a) which is sold by the Seller to the Covered Bond Guarantor from time to time under the terms of the Mortgage Sale Agreement or the Declaration of Assets Trust (as the case may be);
- (b) which is secured by the same Mortgage over a Property as the Loan to which such Top-up Loan relates; and

- (c) the repayment of which is subordinated to such Loan and any CPF Funds withdrawn in connection with the Property in terms of priorities of repayment,

and comprises the aggregate of all principal sums, interest, costs, charges, expenses and other monies due or owing with respect to or apportioned to that Top-up Loan from time to time outstanding, or, as the context may require, the Borrower's or the Mortgagor's (as the case may be) obligations in respect of the same but excluding any such Top-up Loan which is repurchased by the Seller or otherwise sold by the Covered Bond Guarantor and no longer beneficially owned by it;

Top-up Receipts

All amounts received from a Borrower or a Mortgagor (as the case may be) in respect of a Top-up Loan (including any receipts of interest and principal and proceeds of enforcement of the relevant Mortgage allocable to such Top-up Loan);

Tranche

In relation to a Series, those Covered Bonds of that Series that are issued on the same date at the same issue price and in respect of which the first payment of interest is identical;

Transaction Account

The account designated as such in the name of the Covered Bond Guarantor held with the Account Bank and maintained subject to the terms of the Bank Account Agreement and the Singapore Deed of Charge or such other account as may for the time being be in place with the prior consent of the Security Trustee and designated as such;

Transaction Documents

- (a) Agency Agreement;
- (b) Ancillary Intercompany Loan Agreement;
- (c) Asset Monitor Agreement;
- (d) Bank Account Agreement;
- (e) Bond Trust Deed
- (f) Cash Management Agreement;
- (g) CBG Declaration of Trusts;
- (h) Corporate Services Agreement;
- (i) each Covered Bond Swap Agreement;
- (j) Declaration of Assets Trust;
- (k) Declaration of Banzu Covered Bonds Pte. Ltd. Covered Bonds Trust;
- (l) English Security Trust Deed;
- (m) Establishment Deed;
- (n) Intercompany Loan Agreement;
- (o) each Interest Rate Swap Agreement (if any);
- (p) Master Definitions Agreement;
- (q) Mortgage Sale Agreement;

	(r) each Pricing Supplement (as applicable in the case of each issue of listed Covered Bonds subscribed pursuant to a subscription agreement); (s) Programme Agreement; (t) Servicing Agreement; (u) Singapore Deed of Charge (and any documents entered into pursuant to the Singapore Deed of Charge); (v) Subordinated Loan Agreement; (w) each Subscription Agreement (as applicable in the case of each issue of listed Covered Bonds subscribed pursuant to a subscription agreement); (x) each document, agreement or indenture ancillary or supplemental to any of the documents specified in paragraphs (a) to (w) (inclusive) above; and (y) any other agreement or document from time to time designated as such by the Issuer, the Covered Bond Guarantor, the Bond Trustee and the Security Trustee;
Transaction Party	Any person who is a party to a Transaction Document and
Transaction Parties	means some or all of them;
Transfer Agent	The Bank of New York Mellon SA/NV, Dublin Branch in respect of each Series of Covered Bonds (other than CMU Covered Bonds, CDP Covered Bonds and DTC Covered Bonds), The Bank of New York Mellon, Singapore Branch in respect of each Series of CDP Covered Bonds, The Bank of New York Mellon, Hong Kong Branch in respect of each Series of CMU Covered Bonds and The Bank of New York Mellon in respect of each Series of DTC Covered Bonds or, if applicable, any successor transfer agent in relation to all or any Series of the Covered Bonds;
Trust Assets	The meaning given to it in the section " <i>Structure Overview – Structure Overview – (g) Declaration of Assets Trust</i> ";
Trustees Act	Trustees Act 1967 of Singapore, as amended, and any regulations made pursuant to it;
UCTA	Unfair Contracts Terms Act 1977 of Singapore, as amended, and any regulations made pursuant to it;
Valuation	In relation to any Property at any date, the value given to that Property by reference to either (a) the latest Valuation Report (if obtained) in respect of that Property, or (b) if no such Valuation Report has been obtained, such valuation of that Property as determined by the Seller or the Servicer in accordance with the Seller's Policy from time to time, or, if the Seller's Policy is no longer applicable, using a methodology which would be acceptable to a Reasonable, Prudent Mortgage Lender;
Valuation Report	The valuation report or reports for mortgage purposes, in the form of one of the pro-forma contained in the Standard Documentation, obtained by the Seller from a Valuer in respect of each Property or a valuation report in respect of a valuation made using a methodology which would be acceptable to a Reasonable, Prudent Mortgage Lender;

Valuer	An independent valuation company selected from the Seller's panel of approved valuers;
VAT	Within the European Union, such tax as may be levied in accordance with (but subject to derogations from) Directive 2006/112/EC and, outside the European Union, any similar taxation levied by reference to added value or sales;
Volcker Rule	Section 619 of the Dodd-Frank Act and the regulations adopted to implement such statutory provision; and
Written Resolution	A resolution in writing signed by the holders of not less than 90% in nominal amount of the Covered Bonds outstanding.

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Standard Chartered Bank (Singapore) Limited and its subsidiaries

Company Registration No:
201224747C

Annual Financial Statements
31 December 2025

Standard Chartered Bank (Singapore) Limited and its subsidiaries

General information

Directors

Benjamin Pi-Cheng Hung
Patrick Lee Fook Yau
Gu Chenwei
Low Lily
Liew Yun Chong Agnes
Kevin Kwok Khien
Mahadevan Shivkumar

Company Secretaries

Tay Geok Ling
Chan Lai Yin (Appointed on 30 April 2025)
Chan Wan Mei (Resigned on 30 April 2025)

Registered Office

8 Marina Boulevard
#27-01 Marina Bay Financial Centre
Singapore 018981

Auditor

Ernst & Young LLP

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Standard Chartered Bank (Singapore) Limited and its subsidiaries

Directors' statement

The directors are pleased to present their statements to the members of Standard Chartered Bank (Singapore) Limited (the "Bank") and its subsidiaries (the "Group") together with the audited financial statements for the financial year ended 31 December 2025.

Opinion of the directors

In our opinion,

- (a) the financial statements set out on Pages 9 to 188, which comprise the statements of financial position of the Group and the Bank as at 31 December 2025, the statements of profit or loss, the statements of comprehensive income and the statements of changes in equity of the Group and the Bank, and the consolidated cash flow statement of the Group for the year then ended, and material accounting policy information and other explanatory information are properly drawn up so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Bank as of 31 December 2025 and of the consolidated financial performance, changes in equity and cash flows of the Group, and of the financial performance and the changes in equity of the Bank for the year then ended in accordance with the requirements of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)s"); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Bank will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

The directors of the Bank in office at the date of this statement are:

Benjamin Pi-Cheng Hung
Patrick Lee Fook Yau
Gu Chenwei
Low Lily
Liew Yun Chong Agnes
Kevin Kwok Khien
Mahadevan Shivkumar

Directors' interests in shares and debentures

The directors who held office at the end of the financial year have been granted exemption from compliance with Section 201(16) and paragraph 9 of the Twelfth Schedule of the Companies Act, Chapter 1967 (the "Act"). Full detailed information regarding directors' interests in shares or debentures of the Bank or of related corporations, either at the beginning of the financial year, or at date of appointment if later, or at the end of the financial year, can be obtained at the registered office of the Bank at 8 Marina Boulevard, #27-01 Marina Bay Financial Centre, Singapore 018981, in accordance with Section 164(8) and (9) of the Act.

Standard Chartered PLC operates employee share plans, under which eligible employees including directors of the Bank were granted awards over ordinary Standard Chartered PLC shares. Details of Standard Chartered PLC employee share plans can be found in Standard Chartered PLC annual report which is publicly available on the website.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Directors' statement

Directors' interests in shares and debentures (cont'd)

Except for the granted awards, neither at the end of, nor at any time during the financial year, was the Bank a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Bank to acquire benefits by means of the acquisition of shares in or debentures of the Bank or any other body corporate.

Share options

During the financial year, there was:

- (a) no option granted by the Bank to any person to take up unissued shares in the Bank; and
- (b) no share issued by virtue of the exercise of options to take up unissued shares of the Bank.

At the end of the financial year, there was no unissued share of the Bank under option.

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors:



Benjamin Pi-Cheng Hung
Director



Patrick Lee Fook Yau
Director

Singapore
18 March 2026

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Independent auditor's report For the financial year ended 31 December 2025

Independent auditor's report to the members of Standard Chartered Bank (Singapore) Limited and its subsidiaries

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Standard Chartered Bank (Singapore) Limited (the "Bank") and its subsidiaries (the "Group"), which comprise the statements of financial position of the Group and the Bank as at 31 December 2025, the statements of profit or loss, the statements of comprehensive income and the statements of changes in equity of the Group and the Bank and the consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, the statement of profit or loss, the statement of comprehensive income and the statement of changes in equity of the Bank are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Bank as at 31 December 2025 and of the consolidated financial performance, the consolidated changes in equity and the consolidated cash flows of the Group, and of the financial performance and the changes in equity of the Bank for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

**Independent auditor's report
For the financial year ended 31 December 2025**

Independent auditor's report to the members of Standard Chartered Bank (Singapore) Limited and its subsidiaries

Key audit matters (cont'd)

Areas of focus	How our audit addressed the risk factors
Credit Impairment of Loans and Bills Receivables At 31 December 2025, the Group's loans and bills receivables comprised 52% of Total Assets. We have identified this as a key audit matter as the Group's expected credit loss ("ECL") calculations for loans and bills receivables involve significant judgements and estimates. <u>(a) Non-impaired credit exposures</u> In respect of non-impaired credit exposures, areas where we have identified with greater levels of management judgement are: - the determination of what constitutes significant increase in credit risk ("SICR"); - the modelling assumptions in the probability of default ("PD"), loss given default ("LGD") and exposure at default ("EAD") model; - the determination of economic scenarios and corresponding probability weightages applied; and - the post model adjustments and management overlays to the model-driven ECL results to address model limitations or risk events.	<u>(a) Non-impaired credit exposures</u> We obtained an understanding, evaluated the design, and tested the operating effectiveness of the relevant key manual or automated controls related to the Group's ECL computation processes with a focus on: - the completeness and accuracy of data inputs into the ECL calculation system; - the governance and validation of models; - the selection and implementation of multiple economic scenarios and probabilities; - the staging of credit exposures based on the Group's SICR criteria; and - the governance over post model adjustments and management overlays. We involved our internal modelling specialists in performing the following procedures for a sample of portfolios: - independently reviewed the model validation results; - evaluated the reasonableness of the PD, LGD and EAD models by performing desktop review, model implementation testing, model reperformance testing, model assumption testing, sensitivity analyses, benchmarking, and back-testing; and - evaluated the Group's assessment of SICR. We involved our internal economists in performing the following procedures for a sample of portfolios: - assessed the appropriateness of macroeconomic variables and key assumptions used in economic scenarios; and - evaluated the reasonableness of the multiple economic scenarios and corresponding probabilities applied by benchmarking to other financial institutions. We also assessed the appropriateness of management's rationale for post model adjustments and overlays to address model limitations or risk events and evaluated the calculation of the post model adjustments and overlays by challenging key assumptions underpinning the calculation.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

**Independent auditor's report
For the financial year ended 31 December 2025**

Independent auditor's report to the members of Standard Chartered Bank (Singapore) Limited and its subsidiaries

Key audit matters (cont'd)

Areas of focus	How our audit addressed the risk factors
Credit Impairment of Loans and Bills Receivables (cont'd) (b) <u>Impaired credit exposures</u> In respect of impaired credit exposures, ECL is considered to be a matter of significance as it requires the application of judgement and use of subjective assumptions by management in estimating future recoverable amount.	(b) <u>Impaired credit exposures</u> We obtained an understanding, evaluated the design, and tested the operating effectiveness of the relevant key manual or automated controls related to the Group's impaired credit exposures ECL estimation process with a focus on: • Stressed Assets Group ("SAG") and Stressed Assets Risk ("SAR") processes for identifying impairment indicators and consequently, the grading of loans; • the monitoring and management of SAG and SAR loans and underlying collaterals; and • the assessment and calculation of credit impairment. We considered the magnitude of the credit exposures, macroeconomic factors, and industry trends in our audit sampling, and extended our audit coverage over customers in vulnerable sectors. For a sample of portfolios, as part of our credit reviews of selected borrowers, we evaluated and assessed the appropriateness of credit gradings and reasonableness of the staging allocation of the borrowers against the criteria in accordance with SFRS(I) 9. To test credit monitoring which largely drives the PD estimates used in the staging calculation, we challenged the risk ratings for a sample of performing accounts and other accounts exhibiting risk characteristics such as financial difficulties, deferment of payment, late payment, and watchlist. For a sample of impaired credit exposures, we performed the following procedures: • assessed management's forecasts of recoverable amount which include, but not limited to, the timing and amount of projected cash flow in each recovery scenarios, and the corresponding weightages applied, and analysed that the effects of significant events have been reflected in these assumptions. Where possible, for the underlying collateral, we compared the valuation to external evidence such as valuation reports and/or involved our internal valuation team for independent assessment of the fair valuation; and • considered the customers' latest developments through adverse news search and/or publicly available information.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Independent auditor's report For the financial year ended 31 December 2025

Independent auditor's report to the members of Standard Chartered Bank (Singapore) Limited and its subsidiaries

Other information

Management is responsible for other information. The other information comprises the general information and directors' statement, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Independent auditor's report For the financial year ended 31 December 2025

Independent auditor's report to the members of Standard Chartered Bank (Singapore) Limited and its subsidiaries

Auditor's responsibilities for the audit of the financial statements (cont'd)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

**Independent auditor's report
For the financial year ended 31 December 2025**

**Independent auditor's report to the members of Standard Chartered Bank (Singapore) Limited
and its subsidiaries**

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Bank and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Seah Li Yun.



Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
18 March 2026

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Statements of financial position As at 31 December 2025

		Group		Bank	
	Note	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
Assets					
Cash and balances with central banks		13,545,669	29,295,810	12,950,190	28,193,055
Singapore government securities and treasury bills	4	29,160,948	16,492,769	25,710,484	13,693,285
Other government securities and treasury bills	5	11,974,924	10,085,822	6,647,424	4,941,703
Investment securities	6	6,757,393	6,808,573	6,489,735	6,534,833
Derivative financial instruments	7	4,914,120	6,101,190	3,447,425	5,055,556
Loans and advances to banks	8	12,840,627	9,268,495	8,068,731	6,161,372
Loans and advances to customers	9	83,846,389	74,417,647	69,291,362	60,206,908
Bills receivable	10	8,844,489	10,178,688	7,522,673	8,988,137
Amounts due from intermediate holding company and its branches	12	9,720,445	10,711,726	9,152,504	10,359,764
Amounts due from related corporations	13	935,355	865,135	802,035	801,916
Amount due from subsidiaries	14	–	–	3,536,738	4,758,178
Other assets	15	15,438,843	6,393,452	14,048,488	5,502,889
Assets held for sale	16	37,179	70,765	37,179	70,765
Current tax assets		26,783	19,253	–	–
Deferred tax assets	26	34,826	55,780	–	–
Property and equipment	17	337,668	383,106	297,290	341,446
Investment in associates	18	89,937	89,514	72,509	72,509
Investment in subsidiaries	19	–	–	3,515,643	3,575,604
Goodwill and intangible assets	20	1,048,250	1,006,891	788,181	767,895
Total assets		199,553,845	182,244,616	172,378,591	160,025,815
Liabilities					
Deposits and balances of banks	21	5,993,150	5,765,692	4,939,174	4,951,061
Deposits of non-bank customers	22	148,819,501	135,126,662	122,035,021	110,243,920
Structured notes and deposits	23	4,303,528	2,479,580	4,036,198	2,129,765
Derivative financial instruments and other trading liabilities	7	6,943,182	6,530,000	4,558,910	5,139,974
Bills and drafts payable		2,845,246	2,628,823	2,436,673	2,396,990
Amounts due to intermediate holding company and its branches	12	3,893,537	4,618,677	2,996,396	4,222,319
Amounts due to related corporations	13	3,575,587	3,140,709	2,310,711	1,545,239
Amounts due to subsidiaries	14	–	–	6,949,122	8,170,194
Current tax payable		205,586	227,558	202,625	223,514
Other liabilities	24	6,557,933	5,724,780	5,591,295	5,087,656
Subordinated notes	25	3,409,126	3,738,019	3,409,126	3,585,998
Deferred tax liabilities	26	74,137	66,051	65,007	66,051
Total liabilities		186,620,513	170,046,551	159,530,258	147,762,681
Equity					
Share capital	27	8,771,638	8,771,638	8,771,638	8,771,638
Other equity instrument	27	750,000	750,000	750,000	750,000
Reserves	27	181,065	227,663	262,594	398,241
Retained earnings		3,136,886	2,343,505	3,064,101	2,343,255
Total parent company shareholders' equity		12,839,589	12,092,806	12,848,333	12,263,134
Non-controlling interests		93,743	105,259	–	–
Total equity		12,933,332	12,198,065	12,848,333	12,263,134
Total equity and liabilities		199,553,845	182,244,616	172,378,591	160,025,815

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Statements of profit or loss
For the financial year ended 31 December 2025

		Group		Bank	
	Note	2025	2024	2025	2024
		S\$'000	S\$'000	S\$'000	S\$'000
Interest income	31	5,566,439	6,512,009	4,504,902	5,413,121
Interest expense	31	(4,290,353)	(4,791,799)	(3,894,760)	(4,391,281)
Net interest income		1,276,086	1,720,210	610,142	1,021,840
Fee and commission income	32	2,123,733	1,883,997	1,856,680	1,633,069
Fee and commission expense	32	(680,729)	(717,225)	(578,923)	(593,921)
Net fee and commission income		1,443,004	1,166,772	1,277,757	1,039,148
Dividend income		683	608	101,772	239,976
Dealing and foreign exchange income	33	2,505,338	2,074,738	2,074,793	1,723,245
Other income	34	6,309	(7,395)	(6,318)	(17,448)
Total non-interest income		3,955,334	3,234,723	3,448,004	2,984,921
Income before operating expenses		5,231,420	4,954,933	4,058,146	4,006,761
Staff costs	35	(1,664,640)	(1,611,111)	(1,326,800)	(1,286,743)
Other operating expenses	36	(1,556,961)	(1,501,173)	(954,770)	(878,407)
Total operating expenses		(3,221,601)	(3,112,284)	(2,281,570)	(2,165,150)
Operating profit before impairment loss		2,009,819	1,842,649	1,776,576	1,841,611
Impairment losses	37	(208,992)	(216,471)	(106,941)	(87,794)
Operating profit after impairment loss		1,800,827	1,626,178	1,669,635	1,753,817
Profit from associates		3,550	5,753	–	–
Profit before income tax		1,804,377	1,631,931	1,669,635	1,753,817
Income tax expense	38	(209,176)	(213,504)	(138,842)	(167,993)
Profit for the year		1,595,201	1,418,427	1,530,793	1,585,824
Profit attributable to:					
Non-controlling interests		(21,338)	(37,359)	–	–
Parent company shareholders		1,616,539	1,455,786	1,530,793	1,585,824
Profit for the year		1,595,201	1,418,427	1,530,793	1,585,824

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

**Statements of comprehensive income
For the financial year ended 31 December 2025**

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Profit for the year	1,595,201	1,418,427	1,530,793	1,585,824
<i>Other comprehensive income</i>				
Items that will not be reclassified to profit or loss:				
Own credit adjustments on financial liabilities designated at fair value through profit or loss (net of tax)	3,319	(33)	3,305	382
Actuarial (loss)/gain	(1,376)	639	–	–
	1,943	606	3,305	382
Items that may be reclassified subsequently to statement of profit or loss:				
Exchange translation differences	(191,691)	240,014	(249,586)	124,438
Financial assets measured at fair value through other comprehensive income:				
- Net change in fair value	55,504	41,995	31,469	30,468
- Net amount reclassified to profit or loss	(18,139)	4,034	(17,704)	3,906
- Net change in deferred tax	(6,867)	(7,018)	(1,610)	(4,615)
Cash flow hedges:				
- Net change in fair value	111,380	(38,145)	113,166	(35,069)
- Net amount reclassified to profit or loss	6,786	171	3,010	(1,864)
- Net change in deferred tax	(16,170)	5,246	(15,684)	4,986
Share of comprehensive income of an associate	(389)	383	–	–
	(59,586)	246,680	(136,939)	122,250
Total comprehensive income for the year	1,537,558	1,665,713	1,397,159	1,708,456
Total comprehensive income attributable to:				
Non-controlling interests	(21,336)	(37,257)	–	–
Parent company shareholders	1,558,894	1,702,970	1,397,159	1,708,456
Total comprehensive income for the year	1,537,558	1,665,713	1,397,159	1,708,456

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

**Statements of changes in equity
For the financial year ended 31 December 2025**

Group	Note	Share capital S\$'000	Other equity instrument S\$'000	Exchange translation reserve S\$'000	Fair value through other comprehensive income reserve S\$'000	Cash flow hedge reserve S\$'000	Own credit adjustment reserve S\$'000	Regulatory loss allowance reserve S\$'000	Retained earnings S\$'000	Parent company shareholders' equity S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
At 1 January 2025		8,771,638	750,000	(229,136)	11,776	(14,670)	303	459,390	2,343,505	12,092,806	105,259	12,198,065
Preference shares redemption	27	-	-	-	-	-	-	-	-	-	-	-
Issuance of perpetual capital securities	27	-	-	-	-	-	-	-	-	-	-	-
Shares issued by subsidiary to non-controlling interest		-	-	-	-	-	-	-	-	-	10,000	10,000
Total comprehensive income for the year												
Profit for the year		-	-	-	-	-	-	-	1,616,539	1,616,539	(21,338)	1,595,201
Other comprehensive income												
Translation differences		-	-	(191,717)	-	-	-	-	-	(191,717)	26	(191,691)
Financial assets measured at fair value through other comprehensive income reserve:												
- Net change in fair value		-	-	-	55,523	-	-	-	-	55,523	(19)	55,504
- Net amount reclassified to profit or loss		-	-	-	(18,139)	-	-	-	-	(18,139)	-	(18,139)
- Net change in deferred tax		-	-	-	(6,864)	-	-	-	-	(6,864)	(3)	(6,867)
Cash flow hedges:												
- Net change in fair value		-	-	-	-	110,991	-	-	-	110,991	-	110,991
- Net amount reclassified to profit or loss		-	-	-	-	6,786	-	-	-	6,786	-	6,786
- Net change in deferred tax		-	-	-	-	(16,170)	-	-	-	(16,170)	-	(16,170)
Own credit adjustment reserve:												
- Net change in fair value		-	-	-	-	-	3,686	-	-	3,686	-	3,686
- Net change in deferred tax		-	-	-	-	-	(367)	-	-	(367)	-	(367)
Actuarial loss		-	-	-	-	-	-	-	(1,374)	(1,374)	(2)	(1,376)
Total comprehensive income for the year		-	-	(191,717)	30,520	101,607	3,319	-	1,615,165	1,558,894	(21,336)	1,537,558
Share of associate's retained earnings		-	-	-	-	-	-	-	(151)	(151)	-	(151)
Share capital reduction in subsidiary		-	-	-	-	-	-	-	-	-	(180)	(180)
Minimum regulatory loss allowance		-	-	-	-	-	-	9,673	(9,673)	-	-	-
Distribution to owner												
Ordinary dividends paid to the shareholders of the Bank	27	-	-	-	-	-	-	-	(686,967)	(686,967)	-	(686,967)
One-tier tax exempt dividend of non-cumulative redeemable preference shares and capital securities	27	-	-	-	-	-	-	-	(124,993)	(124,993)	-	(124,993)
At 31 December 2025		8,771,638	750,000	(420,853)	42,296	86,937	3,622	469,063	3,136,886	12,639,589	93,743	12,933,332

Standard Chartered Bank (Singapore) Limited and its subsidiaries

**Statements of changes in equity
For the financial year ended 31 December 2025**

Group	Note	Share capital S\$'000	Other equity instrument S\$'000	Exchange translation reserve S\$'000	Fair value through other comprehensive income reserve S\$'000	Cash flow hedge reserve S\$'000	Own credit adjustment reserve S\$'000	Regulatory loss allowance reserve S\$'000	Retained earnings S\$'000	Parent company shareholders' equity S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
At 1 January 2024		9,521,638	—	(469,100)	(27,184)	17,675	336	478,308	1,598,062	11,119,735	68,595	11,188,330
Preference shares redemption	27	(750,000)	—	—	—	—	—	—	—	(750,000)	—	(750,000)
Issuance of perpetual capital securities	27	—	750,000	—	—	—	—	—	—	750,000	—	750,000
Shares issued by subsidiary to non-controlling interest		—	—	—	—	—	—	—	—	—	74,000	74,000
Total comprehensive income for the year		—	—	—	—	—	—	—	1,455,786	1,455,786	(37,359)	1,418,427
Other comprehensive income		—	—	239,964	—	—	—	—	—	239,964	50	240,014
Translation differences		—	—	—	—	—	—	—	—	—	—	—
Financial assets measured at fair value through other comprehensive income reserve:		—	—	—	—	—	—	—	—	—	—	—
- Net change in fair value		—	—	—	41,942	—	—	—	—	41,942	53	41,995
- Net amount reclassified to profit or loss		—	—	—	4,034	—	—	—	—	4,034	—	4,034
- Net change in deferred tax		—	—	—	(7,016)	—	—	—	—	(7,016)	(2)	(7,018)
Cash flow hedges:		—	—	—	—	—	—	—	—	—	—	—
- Net change in fair value		—	—	—	—	(37,762)	—	—	—	(37,762)	—	(37,762)
- Net amount reclassified to profit or loss		—	—	—	—	171	—	—	—	171	—	171
- Net change in deferred tax		—	—	—	—	5,246	—	—	—	5,246	—	5,246
Own credit adjustment reserve:		—	—	—	—	—	—	—	—	—	—	—
- Net change in fair value		—	—	—	—	—	(78)	—	—	(78)	—	(78)
- Net change in deferred tax		—	—	—	—	—	45	—	—	45	—	45
Actuarial gain		—	—	—	—	—	—	—	638	638	1	639
Total comprehensive income for the year		—	—	239,964	38,960	(32,345)	(33)	—	1,456,424	1,702,970	(37,257)	1,665,713
Minimum regulatory loss allowance		—	—	—	—	—	—	(18,918)	18,918	—	—	—
Distribution to owner		—	—	—	—	—	—	—	—	—	—	—
Ordinary dividends paid to the shareholders of the Bank	27	—	—	—	—	—	—	—	(590,820)	(590,820)	—	(590,820)
One-tier tax exempt dividend of non-cumulative redeemable preference shares	27	—	—	—	—	—	—	—	(139,079)	(139,079)	—	(139,079)
Ordinary dividends paid to non-controlling interest		—	—	—	—	—	—	—	—	—	(79)	(79)
At 31 December 2024		8,771,638	750,000	(229,136)	11,776	(14,670)	303	459,390	2,343,505	12,092,806	105,259	12,198,065

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

**Statements of changes in equity
For the financial year ended 31 December 2025**

Bank	Note	Share capital S\$'000	Other equity instrument S\$'000	Exchange translation reserve S\$'000	Fair value through other comprehensive income reserve S\$'000	Cash flow hedge reserve S\$'000	Own credit adjustment reserve S\$'000	Regulatory loss allowance reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
At 1 January 2025		8,771,638	750,000	(42,185)	11,352	(14,295)	753	442,616	2,343,255	12,263,134
Preference shares redemption	27	-	-	-	-	-	-	-	-	-
Issuance of perpetual capital securities	27	-	-	-	-	-	-	-	-	-
<i>Total comprehensive income for the year</i>										
Profit for the year		-	-	-	-	-	-	-	1,530,793	1,530,793
Other comprehensive income		-	-	(249,586)	-	-	-	-	-	(249,586)
Translation differences		-	-	-	-	-	-	-	-	-
Financial assets measured at fair value through other comprehensive income reserve:		-	-	-	-	-	-	-	-	-
- Net change in fair value		-	-	-	31,469	-	-	-	-	31,469
- Net amount reclassified to profit or loss		-	-	-	(17,704)	-	-	-	-	(17,704)
- Net change in deferred tax		-	-	-	(1,610)	-	-	-	-	(1,610)
Cash flow hedges:		-	-	-	-	-	-	-	-	-
- Net change in fair value		-	-	-	-	113,166	-	-	-	113,166
- Net amount reclassified to profit or loss		-	-	-	-	3,010	-	-	-	3,010
- Net change in deferred tax		-	-	-	-	(15,684)	-	-	-	(15,684)
Own credit adjustment:		-	-	-	-	-	-	-	-	-
- Net change in fair value		-	-	-	-	-	3,673	-	-	3,673
- Net change in deferred tax		-	-	-	-	-	(368)	-	-	(368)
Total comprehensive income for the year		-	-	(249,586)	12,155	100,492	3,305	-	1,530,793	1,397,159
Minimum regulatory loss allowance		-	-	-	-	-	-	(2,013)	2,013	-
Distribution to owner		-	-	-	-	-	-	-	-	-
Ordinary dividends paid to the shareholders of the Bank	27	-	-	-	-	-	-	-	(686,967)	(686,967)
One-tier tax exempt dividend of non-cumulative redeemable preference shares and capital securities	27	-	-	-	-	-	-	-	(124,993)	(124,993)
At 31 December 2025		8,771,638	750,000	(291,771)	23,507	86,197	4,058	440,603	3,064,101	12,848,333

Standard Chartered Bank (Singapore) Limited and its subsidiaries

**Statements of changes in equity
For the financial year ended 31 December 2025**

Bank	Note	Share capital S\$'000	Other equity instrument S\$'000	Exchange translation reserve S\$'000	Fair value through other comprehensive income reserve S\$'000	Cash flow hedge reserve S\$'000	Own credit adjustment reserve S\$'000	Regulatory loss allowance reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
At 1 January 2024		9,521,638	—	(166,623)	(18,407)	17,652	371	422,801	1,507,145	11,284,577
Preference shares redemption	27	(750,000)	—	—	—	—	—	—	—	(750,000)
Issuance of perpetual capital securities	27	—	750,000	—	—	—	—	—	—	750,000
<i>Total comprehensive income for the year</i>										
Profit for the year		—	—	—	—	—	—	—	1,585,824	1,585,824
Other comprehensive income		—	—	124,438	—	—	—	—	—	124,438
Translation differences		—	—	—	—	—	—	—	—	—
Financial assets measured at fair value through other comprehensive income reserve:		—	—	—	—	—	—	—	—	—
- Net change in fair value		—	—	—	30,468	—	—	—	—	30,468
- Net amount reclassified to profit or loss		—	—	—	3,906	—	—	—	—	3,906
- Net change in deferred tax		—	—	—	(4,615)	—	—	—	—	(4,615)
Cash flow hedges:		—	—	—	—	—	—	—	—	—
- Net change in fair value		—	—	—	—	(35,069)	—	—	—	(35,069)
- Net amount reclassified to profit or loss		—	—	—	—	(1,864)	—	—	—	(1,864)
- Net change in deferred tax		—	—	—	—	4,986	—	—	—	4,986
Own credit adjustment:		—	—	—	—	—	—	—	—	—
- Net change in fair value		—	—	—	—	—	442	—	—	442
- Net change in deferred tax		—	—	—	—	—	(60)	—	—	(60)
Total comprehensive income for the year		—	—	124,438	29,759	(31,947)	382	—	1,585,824	1,708,456
Minimum regulatory loss allowance		—	—	—	—	—	—	19,815	(19,815)	—
Distribution to owner		—	—	—	—	—	—	—	—	—
Ordinary dividends paid to the shareholders of the Bank	27	—	—	—	—	—	—	—	(590,820)	(590,820)
One-tier tax exempt dividend of non-cumulative redeemable preference shares	27	—	—	—	—	—	—	—	(139,079)	(139,079)
At 31 December 2024		8,771,638	750,000	(42,185)	11,352	(14,295)	753	442,616	2,343,255	12,263,134

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

**Consolidated cash flow statement
For the financial year ended 31 December 2025**

	Note	Group 2025 S\$'000	2024 S\$'000
Cash flows from operating activities			
Profit before income tax		1,804,377	1,631,931
Adjustments for:			
Amortisation of intangible assets	20	184,485	184,406
(Gains)/losses on disposal of securities measured at fair value through other comprehensive income	34	(2,865)	28,387
Losses on disposal of financial assets measured at amortised cost	34	5,529	5,697
Depreciation of property and equipment	17	73,567	75,135
Net impairment losses	37	208,992	216,471
Intangible assets written off		—	103,185
(Gains)/losses on property and equipment sold		(7)	363
Gains on deemed disposal of an associate		—	(2,034)
Profit from associates		(3,550)	(5,753)
Operating cash flows before changes in working capital		2,270,528	2,237,788
Restricted cash balance		(101,151)	(403,677)
Investment and government securities and treasury bills classified as fair value through profit and loss		(623,006)	(602,556)
Loans and advances to banks		(3,473,858)	3,290,668
Bills receivable and loans and advances to customers		(8,052,206)	(7,562,827)
Derivative financial instruments		1,352,552	(1,980,183)
Amounts due from intermediate holding company and its branches		1,568,311	1,899,978
Amounts due from related corporations		155,795	(426,364)
Other assets		(9,035,977)	(188,322)
Deposits and balances of banks		201,328	(1,406,121)
Deposits of non-bank customers		13,255,606	8,017,374
Structured notes and deposits		1,819,104	1,575,629
Bills and drafts payable		208,516	275,947
Derivative financial instruments and other trading liabilities		328,467	1,461,633
Amounts due to intermediate holding company and its branches		(747,462)	925,716
Amounts due to related corporations		434,589	1,631,478
Other liabilities		840,931	1,598,469
Cash flows from operations		(1,868,461)	8,106,842
Income tax paid		(226,434)	(246,689)
Net cash flows generated from operating activities		175,633	10,097,941
Cash flows from investing activities			
Proceeds from disposal of investment securities		40,055,269	25,775,169
Purchase of investment securities		(43,520,349)	(29,112,782)
Purchase of property and equipment		(13,588)	(11,879)
Disposal of property and equipment		21	—
Disposal of assets held for sale		—	699
Additions of intangible assets		(122,752)	(153,021)
Transfer of property and equipment from other entities		23	(101)
Transfer of intangible assets from other entities		(108,550)	(117,383)
Investments in associates		2,585	935
Net cash flows used in investing activities		(3,707,341)	(3,618,363)

Standard Chartered Bank (Singapore) Limited and its subsidiaries

**Consolidated cash flow statement
For the financial year ended 31 December 2025**

	Note	Group 2025 S\$'000	2024 S\$'000
Cash flows from financing activities			
Premises and equipment lease liability principal payment		(40,885)	(38,731)
Proceeds from issue of perpetual capital securities	27	—	750,000
Redemption of preference share capital	27	—	(750,000)
Dividends paid on ordinary shares	27	(686,967)	(590,820)
Dividends paid on preference shares and capital securities	27	(124,993)	(139,079)
Payment on redemption of subordinated notes	25	(1,372,409)	(276,035)
Proceeds from issue of subordinated notes	25	1,219,334	335,000
Investment from non-controlling interest		10,000	74,000
Share capital reduction paid to non-controlling interest		(180)	—
Net cash flows used in financing activities		(996,100)	(635,665)
Net (decrease)/increase in cash and cash equivalents		(4,527,808)	5,843,913
Cash and cash equivalents at beginning of year		44,726,135	38,605,214
Effect of exchange rate changes on cash		(505,132)	277,008
Cash and cash equivalents at end of year		39,693,195	44,726,135
Represented by:			
Cash and balances with central banks*		12,138,995	27,993,393
Loans and advances to banks and treasury bills		23,117,132	12,953,592
Money market balances with intermediate holding company and its branches and related corporations		4,437,068	3,779,150
		39,693,195	44,726,135

* Excluded minimum statutory cash balance of S\$1,406,674,000 (2024: S\$1,302,417,000) which is not available for use in the Group's day-to-day operations.

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2025

1. Corporate information

Standard Chartered Bank (Singapore) Limited (the “Bank”) is incorporated in the Republic of Singapore and has its registered office at 8 Marina Boulevard, #27-01 Marina Bay Financial Centre, Singapore 018981. The Bank operates in Singapore under a full bank license and Qualifying Full Bank privileges granted by the Monetary Authority of Singapore.

The financial statements of the Group comprise the Bank and its subsidiaries (together referred to as the “Group”) and the Group’s interest in associates.

Standard Chartered Holdings (Singapore) Private Limited, a company incorporated in Singapore, holds 86.39% of the ordinary share capital of the Bank with Standard Chartered Bank holding the remaining 13.61%. Standard Chartered Bank is the intermediate holding company and Standard Chartered PLC (the “SC PLC”) is the ultimate holding company, both of which are incorporated in the United Kingdom.

2. Material accounting policy information

2.1 *Basis of preparation*

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

The financial statements have been prepared on historical cost basis except as disclosed in the accounting policies below. These financial statements are presented in Singapore dollars (“SGD” or “S\$”) which is the functional currency for the rest of the bank.

All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.2 *New accounting policies adopted*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards that are effective for annual periods beginning on or after 1 January 2025. The adoption of new and revised standards do not have a material effect on the Group’s financial statements.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2025

2. Material accounting policy information (cont'd)

2.3 *Standards issued but not yet effective*

The Group has not adopted the following standards that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to SFRS(I)s – Volume 11	1 January 2026
Amendments to SFRS(I) 9 and SFRS(I) 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
SFRS(I) 18 Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to SFRS(I) 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to SFRS(I) 10 and SFRS(I) 1-28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group expects the adoption of the standards above will have no material impact on the financial statements in the year of initial application, except for SFRS(I) 18 Presentation and Disclosure in Financial Statements.

The new standard SFRS(I) 18 was issued in April 2024 and is effective for annual reporting periods beginning on or after 1 January 2027 but earlier application is permitted. This new standard replaces SFRS(I) 1-1 Presentation of Financial Statements and amends SFRS(I) 1-7 Statement of Cash Flows. SFRS(I) 18 introduces three defined categories for income and expenses – operating, investing and financing – to improve the structure of the income statement, and requires all companies to provide new defined subtotals, including operating profit. SFRS(I) 18 will require disclosure of explanations of company-specific measures that are related to the income statement, referred to as management-defined performance measures. SFRS(I) 18 sets out enhanced guidance on how to organise information and whether to provide it in the primary financial statements or in the notes. The Group will apply SFRS(I) 18 for annual reporting periods beginning on 1 January 2027 and while the Group assessment remains ongoing, it is currently not expected to have a material impact on the Group's financial statements other than changes in the presentation of the primary statements.

2.4 *Basis of consolidation*

(a) *Business combinations under common control*

The assets and liabilities acquired as part of the transfers of assets and liabilities in relation to businesses that are under the common control of the ultimate parent entity are recognised at the carrying amounts recognised previously in the financial statements of the transferor. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, together with the fair value of any contingent consideration payable.

The difference between the book value of net assets at acquisition date and the cost of investment is recognised under retained earnings in the consolidated financial statements of the acquirer.

2. Material accounting policy information (cont'd)

2.4 Basis of consolidation (cont'd)

(a) Business combinations under common control (cont'd)

In 2021, the subsidiaries which were transferred to the Bank under common control were Standard Chartered Bank (Malaysia) Berhad, Standard Chartered Bank (Thai) Public Company Limited and Standard Chartered Bank (Vietnam) Limited.

(b) Subsidiaries and non-controlling interests

Subsidiaries are all entities, including structured entities, which the Group controls. The Group controls an entity when it is exposed to, and has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee. The assessment of power is based on the Group's practical ability to direct the relevant activities of the entity unilaterally for the Group's own benefit and is subject to reassessment if and when one or more of the elements of control change. Subsidiaries are fully consolidated from the date on which the Group effectively obtains control. They are deconsolidated from the date that control ceases, and where any interest in the subsidiary remains, this is remeasured to its fair value and the change in carrying amount is recognised in the income statement. In the Bank's financial statements, investment in subsidiaries is held at cost less impairment.

Non-controlling interests are measured at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

(c) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity. Contractual arrangements determine the rights and therefore relevant activities of the structured entity. Structured entities are generally created to achieve a narrow and well-defined objective with restrictions around their activities. Structured entities are consolidated when the substance of the relationship between the Group and the structured entity indicates the Group has power over the contractual relevant activities of the structured entity, is exposed to variable returns, and can use that power to affect the variable return exposure.

(d) Investments in associate

An associate is an entity over which the Group has significant influence. Investments in associates are accounted for by the equity method of accounting.

The Group's share of its associates' post-acquisition profits or losses is recognised in the statement of profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in reserves. Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. At each reporting date, the Group assesses whether there is any objective evidence of impairment in the investment in associates.

In the Bank's financial statements, investments in associates are held at cost less impairment.

2. Material accounting policy information (cont'd)

2.5 Foreign currency translation

(a) Functional and presentational currency

The consolidated financial statements are presented in Singapore dollars. Items included in the financial statements are measured using the functional currency of each entity in the Group. The functional currency of each entity represents the currency in which transactions are predominantly denominated in the respective books and reflects the economic substance of the underlying events and circumstances relevant to the books.

Revised split for dual functional currencies

Since 1 January 2021, the Bank operates with the Corporate & Investment Banking ("CIB") segment having US\$ as its functional currency and the rest of the segments having S\$ as the functional currency.

In 2021, the Bank acquired the ownership of ASEAN & South Asia ("ASA") subsidiaries including Standard Chartered Bank (Malaysia) Berhad, Standard Chartered Bank (Thai) Public Company Limited and Standard Chartered Bank (Vietnam) Limited to form a holding company structure (a "Singapore Hub"). To hold the investment in these subsidiaries as its sole business activity, a Strategic Investment in ASA subsidiaries segment has been established and operates independently from the other business segments of the Bank. The functional currency of Strategic Investment in ASA subsidiaries is US\$.

(b) Foreign currency transactions and balances

Foreign currency transactions are translated to the respective functional currencies of the Bank's US\$ and S\$ books using the exchange rates at the transaction date. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in profit or loss.

Non-monetary assets and liabilities are translated at historical exchange rates if held at historical cost, or exchange rates at the reporting date if held at fair value, and the resulting foreign exchange gains and losses are recognised directly in profit or loss. Foreign currency differences arising on the translation of FVOCI equity instruments are recognised in other comprehensive income.

The Bank's US\$ book is translated to S\$ and is consolidated with the Bank's S\$ book to form the financial statements of the Bank. Assets and liabilities are translated at the rate of exchange ruling at the reporting date. Income and expenses for each item in the profit or loss or comprehensive income are translated at average exchange rates or at rates on the dates of the transactions where exchange rates fluctuate significantly. The resultant exchange difference is recognised directly in the exchange translation reserve.

On consolidation, the assets and liabilities in foreign operations are translated into S\$ at the spot rate of exchange prevailing at the reporting date and their income statements are translated at average exchange rates or at rates on the date of the transaction where exchange rates fluctuate significantly. The resulting exchange differences arising on translation for consolidation are recognised as a separate component of equity.

2. Material accounting policy information (cont'd)

2.6 Financial assets and liabilities (excluding derivatives)

Classification

The Group classifies its financial assets into the following measurement categories: (a) amortised cost, (b) fair value through other comprehensive income ("FVOCI"), and (c) fair value through profit or loss ("FVTPL").

Financial liabilities are classified as either held at FVTPL or at amortised cost. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition.

Management determines the classification of the Group's financial assets and liabilities at initial recognition or, where applicable, at the time of reclassification.

(a) Financial assets held at amortised cost and fair value through other comprehensive income

Debt instruments

Debt instruments are classified into these categories based on the business model within which they are held, and their contractual cash flow characteristics.

The Group makes an assessment of the objective of a business model in which an asset is held at the individual product business line, and where applicable within business lines depending on the way the business is managed and information is provided to management.

Factors considered include:

- how the performance of the product business line is evaluated and reported to the Group's management;
- how managers of the business model are compensated, including whether management is compensated based on the fair value of assets or the contractual cash flows collected;
- the risks that affect the performance of the business model and how those risks are managed; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity.

Debt instruments can only be held at amortised cost if the instruments are held in order to collect the contractual cash flows ("hold to collect"), and where those contractual cash flows are solely payments of principal and interest ("SPPI"). Principal represents the fair value of the instrument at the time of initial recognition. Interest in this context represents compensation for the time value of money and associated credit risks together with compensation for other risks and costs consistent with a basic lending arrangement and a profit margin. This requires an assessment at initial recognition of the contractual terms to determine whether it contains a term that could change the timing or amount of cash flows in a way that is inconsistent with the SPPI criteria.

2. Material accounting policy information (cont'd)

2.6 Financial assets and liabilities (excluding derivatives) (cont'd)

Classification (cont'd)

(a) Financial assets held at amortised cost and fair value through other comprehensive income (cont'd)

Debt Instruments (cont'd)

Assets may be sold out of hold to collect portfolios where there is an increase in credit risk. Disposals for other reasons are permitted but such sales should be insignificant in value or infrequent in nature.

Debt instruments that have SPPI characteristics and where the business model objectives are achieved by collecting the contractual cash flows and by selling the assets ("hold to collect and sell") are held at FVOCI.

Equity instruments designated at FVOCI

Non-trading equity instruments acquired for strategic purposes rather than capital gain may be irrevocably designated at initial recognition at FVOCI on an instrument by instrument basis.

(b) Financial assets and liabilities held at fair value through profit or loss

Financial assets and liabilities held at FVTPL are either mandatorily classified as fair value through profit or loss or irrevocably designated at fair value through profit or loss at initial recognition.

Financial assets which are not held at amortised cost or not held at FVOCI are held at FVTPL.

Financial assets may be designated at FVTPL only if doing so eliminates or reduces an accounting mismatch. The Group currently designates financial liabilities at fair value through profit or loss only on the basis that they contain a bifurcated embedded derivative and not as a result of an accounting mismatch.

(c) Financial guarantee contracts and loan commitments

The Group issues financial guarantee contracts and loan commitments in return for fees. Under a financial guarantee contract, the Group undertakes to meet a customer's obligations under the terms of a debt instrument if the customer fails to do so. Loan commitments are firm commitments to provide credit under pre-specified terms and conditions.

Financial guarantee contracts and loan commitments issued at below market interest rates are initially recognised as liabilities at fair value, while financial guarantees and loan commitments issued at market rates are recorded off balance sheet. Subsequently, these instruments are measured at the higher of the expected credit loss allowance, and the amount initially recognised less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15 *Revenue from Contracts with Customers*.

2. Material accounting policy information (cont'd)

2.6 Financial assets and liabilities (excluding derivatives) (cont'd)

Initial recognition

Regular way purchases and sales of financial assets and liabilities held at fair value through profit or loss, and debt securities classified as financial assets held at FVOCI are initially recognised on the trade date (the date on which the Group commits to purchase or sell the asset). Loans and advances and other financial assets held at amortised cost are recognised on settlement date (the date on which cash is advanced to the borrowers).

All financial instruments are initially recognised at fair value, which is normally the transaction price, plus directly attributable transaction costs for financial assets that are not subsequently measured at fair value through profit or loss.

In certain circumstances, the initial fair value may be based on a valuation technique which may lead to the recognition of profits or losses at the time of initial recognition. However, these profits or losses can only be recognised when the valuation technique used is based solely on observable market inputs. In those cases where the initially recognised fair value is based on a valuation model that uses inputs which are not observable in the market, the difference between the transaction price and the valuation model is not recognised immediately in the profit or loss but is amortised or released to profit or loss as the inputs become observable, or the transaction matures or is terminated.

Subsequent measurement

Financial assets and financial liabilities held at amortised cost are subsequently carried at amortised cost using the effective interest method.

Financial assets held at FVTPL are subsequently carried at fair value, with gains and losses arising from changes in fair value taken directly to the dealing and foreign exchange income line in the profit or loss.

Financial liabilities designated at FVTPL are held at fair value, with changes in fair value recognised in the dealing and foreign exchange income line in the profit or loss, other than that attributable to changes in credit risk. Fair value changes attributable to credit risk are recognised in other comprehensive income and recorded in a separate category of equity unless this is expected to create or enlarge an accounting mismatch, in which case the entire change in fair value of the financial liability designated at FVTPL is recognised in profit or loss. There is no economic offset between fair value changes in own credit and the fair value changes in financial assets measured at fair value.

Debt instruments measured at FVOCI are subsequently carried at fair value, with gains and losses arising from changes in fair value recognised in other comprehensive income within equity until the asset is sold, or is impaired, where the cumulative gain or loss is transferred to profit or loss.

Equity investments designated at FVOCI are subsequently carried at fair value with all unrealised gains and losses arising from changes in fair value recognised in other comprehensive income within equity. On derecognition, the cumulative gain or loss is transferred to retained earnings and is not recycled to profit or loss.

2. Material accounting policy information (cont'd)

2.6 Financial assets and liabilities (excluding derivatives) (cont'd)

Derecognition of financial assets and liabilities

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Group has transferred substantially all risks and rewards of ownership. If substantially all the risks and rewards have been neither retained nor transferred and the Group has retained control, the assets continue to be recognised to the extent of the Group's continuing involvement.

Where financial assets have been modified, the modified terms are assessed on a qualitative and quantitative basis to determine whether a fundamental change in the nature of the instrument has occurred, such as whether the derecognition of the pre-existing instrument and the recognition of a new instrument is appropriate.

Financial liabilities are derecognised when they are extinguished. A financial liability is extinguished when the obligation is discharged, cancelled or expires and this is evaluated both qualitatively and quantitatively. Where a financial liability has been modified, it is derecognised if the difference between the modified cash flows and the original cash flows is more than 10 per cent, or if less than 10 percent, the Group will perform a qualitative assessment to determine whether the terms of the two instruments are substantially different.

Modified financial instruments

Financial assets and financial liabilities whose original contractual terms have been modified, including those loans subject to forbearance strategies, are considered to be modified instruments. Modifications may include changes to the tenor, cashflows and or interest rates, among other factors.

Where derecognition of financial assets is appropriate, the newly recognised residual loans are assessed to determine whether the assets should be classified as purchased or originated Credit-Impaired assets ("POCI").

Where derecognition is not appropriate, the gross carrying amount of the applicable instruments is recalculated as the present value of the renegotiated or modified contractual cashflows discounted at the original effective interest rate (or credit-adjusted effective interest rate for POCI financial assets). The difference between the recalculated values and the pre-modified gross carrying values of the instruments are recorded as a modification gain or loss in the profit or loss.

Gains and losses arising from modifications for credit reasons are recorded as part of 'Credit impairment'. Modification gains and losses arising for non-credit reasons are recognised either as part of Credit impairment or within income, depending on whether there has been a change in the Credit Risk on the financial asset subsequent to the modification. Modification gains and losses arising on financial liabilities are recognised within income.

2. Material accounting policy information (cont'd)

2.7 *Reclassification of financial assets and liabilities*

Financial liabilities are not reclassified subsequent to initial recognition. Reclassifications of financial assets are made when, and only when, the business model for those assets changes. Such changes are expected to be infrequent and arise as a result of significant external or internal changes such as the termination of a line of business or the purchase of a subsidiary whose business model is to realise the value of pre-existing held for trading financial assets through a hold to collect model.

2.8 *Derivative financial instruments and hedge accounting*

Derivatives are financial instruments that derive their value in response to changes in interest rates, financial instrument prices, commodity prices, foreign exchange rates, credit risk and indices. Derivatives are categorised as trading unless they are designated as hedging instruments.

All derivatives are initially recognised and subsequently measured at fair value, with all revaluation gains or losses recognised in profit and loss (except where cash flow or net investment hedging has been achieved, in which case the effective portion of changes in fair value is recognised within other comprehensive income). All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

Certain derivatives embedded in other financial instruments, such as the conversion option in a convertible bond held, are valued as separate derivatives when their economic characteristics and risks are not closely related to those of the host contract and the host contract is not carried at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the profit or loss. Embedded derivatives continue to be presented with the host contract and are not separately disclosed or included within derivatives.

The Group has elected to continue applying SFRS(I) 1-39 for hedge accounting. The method of recognising the resulting fair value gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either: (a) hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedge) or (b) hedges of highly probable future cash flows attributable to a recognised asset or liability, or a forecasted transaction (cash flow hedge).

2. Material accounting policy information (cont'd)

2.8 Derivative financial instruments and hedge accounting (cont'd)

Hedge accounting is used for derivatives designated for hedging purpose, provided certain criteria are met.

The Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedging instruments are recorded in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of the hedged item for which the effective interest method is used is amortised to profit or loss over the period to maturity or derecognition.

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedging instruments is recognised in the cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts accumulated in reserves are reclassified to profit or loss in the period in which the hedged item affects profit or loss.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in reserves at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in reserves is immediately reclassified to profit or loss.

For interest rate benchmarks deemed in scope of IBOR reform, the Group will retain the cumulative gain or loss in the cash flow hedge reserve for designated cash flow hedges even though there is uncertainty arising from these reforms with respect to the timing and amount of the cash flows of the hedged items. Should the Group consider that the hedged future cash flows are no longer expected to occur due to reasons other than interest rate benchmark reform, the cumulative gain or loss will be immediately reclassified to profit or loss.

2.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported on the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2. Material accounting policy information (cont'd)

2.10 Impairment of financial assets

(a) Impairment of financial assets not held at FVTPL

Expected credit losses are recognised for financial assets that are debt instruments, loan commitments and financial guarantees that are not held as measured at FVTPL. Expected credit losses are not recognised for equity instruments.

An expected credit loss represents the present value of expected cash shortfalls over the residual term of a financial asset, undrawn commitment, or financial guarantee.

Expected credit losses are computed as unbiased, probability weighted amounts which are determined by evaluating a range of reasonably possible outcomes, the time value of money, and considering all reasonable and supportable information including that which is forward looking.

An expected credit loss allowance is recognised at the time of initial recognition in respect of default events that may occur over the next 12 months (stage 1 assets with allowances equivalent to 12-months expected credit losses). Expected credit loss continues to be determined on this basis until there is either a significant increase in credit risk ("SICR") or the asset becomes credit impaired. The Bank's policy on financial assets' credit risk, credit quality and expected credit loss allowance procedure are explained in Note 43.

Significant increase in credit risk is assessed by comparing the risk of default of an exposure at the reporting date to the risk of default at origination (after taking into account the passage of time). Significant does not mean statistically significant nor is it assessed in the context of changes in expected credit loss. Whether a change in the risk of default is significant or not is assessed using a number of quantitative and qualitative factors, the weight of which depends on the type of product and counterparty. Financial assets that are 30 or more days past due and not credit-impaired will always be considered to have experienced a significant increase in credit risk.

If a financial asset (or portfolio of financial assets) experiences a SICR since initial recognition, an expected credit loss allowance is recognised for default events that may occur over the lifetime of the asset (stage 2 assets with loss allowances equivalent to lifetime expected credit losses). SICR is assessed in the context of an increase in the risk of a default occurring over the remaining life of the financial instrument when compared to that expected at the time of initial recognition for the same period. It is not assessed in the context of an increase in the expected credit loss.

An asset is only considered credit impaired, and lifetime expected credit losses recognised, if there is observed objective evidence of impairment. These factors include, amongst other factors, assets in default, experiencing significant financial difficulty or subject to forbearance actions credit-impaired (stage 3 assets).

To the extent that assets are credit-impaired at the point of initial recognition, they are classified as purchased or originated credit-impaired ("POCI"). An expected credit loss allowance is not recognised at initial recognition. Any changes in lifetime expected losses after initial recognition are charged or credited to profit or loss through Impairment losses.

2. Material accounting policy information (cont'd)

2.10 Impairment of financial assets (cont'd)

(b) Write-offs of credit impaired instruments and reversal of impairment

To the extent a financial debt instrument is considered irrecoverable, the applicable portion of the gross carrying value is written off against the related loan allowance. Such loans are written off after all the necessary procedures have been completed, it is decided that there is no realistic probability of recovery and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of the allowance for loan impairment in the profit or loss. If, in a subsequent period, the amount of the credit impairment loss decreases and the decrease can be related objectively to an event occurring after the credit impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised credit impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in the profit or loss.

(c) Forborne and modified loans

Forborne loans are those loans that have been modified in response to a customer's financial difficulties. Forbearance strategies assist borrowers who are temporarily in financial distress and are unable to meet their original contractual repayment terms.

Forbearance can be initiated by the client, the Group or a third-party including government sponsored programmes or a conglomerate of credit institutions. Forbearance may include debt restructuring such as new repayment schedules, payment deferrals, tenor extensions, interest only payments, lower interest rates, forgiveness of principal, interest or fees, or relaxation of loan covenants.

Forborne loans that have been modified (and not derecognised) on terms that are not consistent with those readily available in the market and/or where the Group have granted a concession compared to the original terms of the loans are considered credit-impaired if there is a detrimental impact on cash flows. The modification loss is recognised in the profit or loss within credit impairment and the gross carrying value of the loan reduced by the same amount. The modified loan is disclosed as 'Loans subject to forbearance - credit-impaired'.

Loans that have been subject to a forbearance modification, but which are not considered credit-impaired, are disclosed as 'Forborne - not credit-impaired'. This may include amendments to covenants within the contractual terms.

2. Material accounting policy information (cont'd)

2.11 *Deposits and balances of banks*

These balances arise primarily from money market placements and deposits. These deposits are initially recognised at fair value, classified as liabilities held at amortised cost and subsequently stated at amortised cost using the effective interest method.

2.12 *Deposits of non-bank customers*

These deposits comprise current and time deposits. These deposits are initially recognised at fair value, classified as liabilities held at amortised cost and subsequently stated at amortised cost using the effective interest method.

2.13 *Structured notes and deposits*

Structured notes and deposits comprise equity and credit linked notes, and credit linked deposits and certificates of deposit issued by the Group. These notes and deposits are initially recognised at fair value. Subsequently, these notes and deposits are stated at amortised cost using the effective interest method or at fair value with gains and losses arising from changes in fair value taken directly to profit or loss.

2.14 *Bills receivable and drafts payable*

Bills receivable and bills and drafts payable are initially recognised at fair value and classified at amortised cost. Subsequently, these are carried and stated at amortised cost using the effective interest method.

2.15 *Share capital*

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of any tax from the proceeds.

Preference shares

Preference shares are classified as equity if it is non-redeemable, or redeemable only at the Group's option, and any dividends are discretionary. Discretionary dividends thereon are recognised as distributions within equity upon approval by the Group's Board.

2. Material accounting policy information (cont'd)

2.16 Employee benefits

Share based compensation

The Group operates equity-settled and cash-settled share-based compensation plans.

The fair value of the employee services (measured by the fair value of the awards granted) received in exchange for the grant of the shares and awards is recognised as an expense. For deferred share awards granted as part of an annual performance award, the expense is recognised over the period from the start of the performance period to the vesting date. For example, the expense for three-year awards granted in 2025 in respect of 2024 performance, which vest in 2026-2028, is recognised as an expense over the period from 1 January 2024 to the vesting dates in 2026-2028. For all other awards, the expense is recognised over the period from the date of grant to the vesting date.

For equity-settled awards, the total amount to be expensed over the vesting period is determined by reference to the fair value of the shares and awards at the date of grant, which excludes the impact of any non-market vesting conditions (for example, profitability and growth targets). The fair value of equity instruments granted is based on market prices, if available, at the date of grant. In the absence of market prices, the fair value of the instruments is estimated using an appropriate valuation technique, such as a binomial option pricing model. Non-market vesting conditions are included in assumptions for the number of shares and awards that are expected to vest.

At each balance sheet date, the Group revises its estimates of the number of shares and awards that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the income statement and a corresponding adjustment to equity over the remaining vesting period. Forfeitures prior to vesting attributable to factors other than the failure to satisfy service conditions and non-market vesting conditions are treated as a cancellation and the remaining unamortised charge is debited to the income statement at the time of cancellation. The proceeds received net of any directly attributable transaction costs are credited to amounts due to the intermediate holding company when the options are exercised.

Cash-settled awards are revalued at each balance sheet date and a liability recognised on the balance sheet for all unpaid amounts, with any changes in fair value charged or credited to staff costs in the income statement until the awards are exercised. Where forfeitures occur prior to vesting that are attributable to factors other than a failure to satisfy service conditions or market-based performance conditions, the cumulative charge incurred up to date of forfeiture is credited to the income statement.

Share-based payments involve judgement and estimation uncertainty exists when determining the expenses and carrying values of share awards at the balance sheet date.

- Long Term Incentive Plan ("LTIP") awards are determined using an estimation of the probability of meeting certain metrics over a three-year performance period using the Monte Carlo simulation model.
- Deferred shares and restricted shares are determined using an estimation of expected dividends.
- Sharesave Plan valuations are determined using a binomial option-pricing model.

2. Material accounting policy information (cont'd)

2.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Where a liability arises based on participation in a market at a specified date, the obligation is recognised in the financial statements on that date and is not accrued over the period.

2.18 Taxation

Current income tax

Income tax payable on profits is recognised as an expense in the period in which the profits arise. The tax effects of income tax losses available for carry forward are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised.

Deferred tax

Deferred tax is provided on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted as at the reporting date, and that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Current and deferred tax relating to items which are charged or credited directly to reserves, is credited or charged directly to reserves and is subsequently recognised in the profit or loss together with the current or deferred gain or loss.

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

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.19 Subordinated notes

Subordinated notes are carried at amortised cost.

2. Material accounting policy information (cont'd)

2.20 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances with central bank, loans and advances to banks, bank overdrafts, nostro and money market deposits with intermediate holding company and its branches and related corporations, which are payable on demand or at short notice and treasury bills maturing within 3 months from the date of acquisition. Cash and bank balances with central bank excludes amounts held for regulatory liquidity reserves.

2.21 Singapore and other government securities, treasury bills and debt securities

Singapore and other government securities, treasury bills and debt securities held for dealing and non-dealing purposes are classified as either at amortised cost, FVTPL or FVOCI.

2.22 Loans and advances to banks

Loans and advances to banks are either classified at amortised cost net of any applicable expected credit loss allowance or held at FVTPL.

2.23 Loans and advances to customers

Loans and advances to customers are either classified at amortised cost net of any applicable expected credit loss allowance or held at FVTPL.

2.24 Leases

The Group assesses whether a contract is a lease in scope of this policy by determining whether the contract gives it the right to use a specified underlying physical asset for a lease term greater than 12 months, unless the underlying assets is of low value.

Where the Group is a lessee and the lease is deemed in scope, it recognises a liability equal to the present value of lease payments over the lease term, discounted using the incremental borrowing rate applicable in the economic environment of the lease. The liability is recognised in 'Other liabilities'. A corresponding right-of-use asset equal to the liability, adjusted for any lease payments made at or before the commencement date, is recognised in 'Property and equipment'. The lease term includes any extension options contained in the contract that the Group is reasonably certain it will exercise.

The Group subsequently depreciates the right-of-use asset using the straight-line method over the lease term and measures the lease liability using the effective interest method. Depreciation on the asset is recognised in 'Depreciation', and interest on the lease liability is recognised in 'Interest expense'.

An impairment loss is recognised if the right-of-use asset, or portion thereof, has a carrying value in excess of its value-in-use when taking into account factors such as the ability and likelihood of obtaining a subtenant.

2. Material accounting policy information (cont'd)

2.25 *Property and equipment*

All property and equipment are stated at cost less accumulated depreciation and impairment losses, except for projects in progress which are stated at cost less impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Depreciation is calculated from the later of the date of acquisition or the date the asset is available for use, or in respect of projects in progress, from the date that the asset is completed and ready for its intended use.

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

- Leasehold premises: period of lease, up to 50 years
- Renovation at premises: between 10 years to period of lease, up to 50 years
- Furniture and fixtures: 3 to 5 years
- Computer and office equipment: 3 to 5 years
- Leased premises: period of lease

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. At each reporting date, these assets are also assessed for indicators of impairment. In the event that an asset's carrying amount is determined to be greater than its recoverable amount, the asset is written down immediately to the recoverable amount. Recoverable amount is the higher of an asset's fair value less cost to sell and its value in use.

Gains and losses on disposals are included in the profit or loss.

2. Material accounting policy information (cont'd)

2.26 Goodwill and intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the identifiable net assets and contingent liabilities of the acquiree at the date of acquisition. Goodwill is included in intangible assets and assessed at each reporting date for impairment and carried at cost less any accumulated impairment losses. Goodwill is allocated to cash generating units for the purpose of impairment testing. Cash generating units represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

Acquired intangibles

At the date of acquisition of a subsidiary or associate, intangible assets which are deemed separable and that arise from contractual or other legal rights are capitalised and included within the net identifiable assets acquired. These intangible assets are initially measured at fair value, which reflects market expectations of the probability that the future economic benefits embodied in the asset will flow to the entity, and are amortised on the basis of their expected useful lives (4 to 16 years). At each reporting date, these assets are assessed for indicators of impairment. In the event that an asset's carrying amount is determined to be greater than its recoverable amount, the asset is written down immediately.

Capitalised software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Internally generated software represents substantially all of the total software capitalised. Direct costs of the development of separately identifiable internally generated software are capitalised where it is probable that future economic benefits attributable to the asset will flow from its use (internally generated software). These costs include salaries and wages, materials, service providers and contractors, and directly attributable overheads. Costs incurred in the ongoing maintenance of software are expensed immediately when incurred. Internally generated software is amortised over a three to ten year time period. On an annual basis software assets' residual values and useful lives are reviewed, including assessing for indicators of impairment. Indicators of impairment include loss of business relevance, obsolescence of asset, exit of the business to which the software relates, technological changes, change in use of the asset, reduction in useful life, plans to reduce usage or scope.

For capitalised software, judgement is required to determine which costs relate to research (and therefore expensed) and which costs relate to development (capitalised). Further judgement is required to determine the technical feasibility of completing the software such that it will be available for use. Estimates are used to determine how the software will generate probable future economic benefits, these estimates include: cost savings, income increases, balance sheet improvements, improved functionality or improved asset safeguarding.

2.27 Commodities

Commodities represents physical holdings where the Group has title and exposure to the market risk associated with the holding. Commodities are measured at fair value with the fair value derived from observable spot or short-term futures prices from relevant exchanges.

2. Material accounting policy information (cont'd)

2.28 Reverse repurchase and repurchase agreements

The Group purchases securities (a reverse repurchase agreement – “reverse repo”) typically with financial institutions subject to a commitment to resell or return the securities at a predetermined price. These securities are not included in the balance sheet as the Group does not acquire the risks and rewards of ownership, however they are recorded off-balance sheet as collateral received. Consideration paid (or cash collateral provided) is accounted for as a loan asset at amortised cost unless it is managed on a fair value basis or designated at fair value through profit or loss. In majority of cases through the contractual terms of a reverse repo arrangement, the Group as the transferee of the security collateral has the right to sell or repledge the asset concerned.

The Group also sells securities (a repurchase agreement – “repo”) subject to a commitment to repurchase or redeem the securities at a predetermined price. The securities are retained on the balance sheet as the Group retains substantially all the risks and rewards of ownership and these securities are disclosed as pledged collateral. Consideration received (or cash collateral received) is accounted for as a financial liability at amortised cost unless it is either mandatorily classified as fair value through profit or loss or irrevocably designated at fair value through profit or loss at initial recognition.

2.29 Interest income and expense

Interest income for financial assets held at fair value through other comprehensive income or amortised cost, and interest expense on all financial liabilities held at amortised cost is recognised in profit or loss using the effective interest method.

The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (for example prepayment options) but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. For floating-rate financial instruments, periodic re-estimation of cash flows that reflect the movements in the market rates of interest alters the effective interest rate.

Where the estimates of cash flows have been revised, the carrying amount of the financial asset or liability is adjusted to reflect the actual and revised cash flows, discounted at the instrument's original effective interest rate. The adjustment is recognised as interest income or expense in the period in which the revision is made as long as the change in estimates is not due to credit issues.

Interest income for financial assets that are either held at fair value through other comprehensive income or amortised cost that have become credit impaired subsequent to initial recognition (Stage 3) and have had amounts written off, is recognised using the credit adjusted effective interest rate. This rate is calculated in the same manner as the effective interest rate except that expected credit losses are included in the expected cash flows. Interest income is therefore recognised on the amortised cost of the financial asset including expected credit losses. Should the credit risk on a Stage 3 financial asset improve such that the financial asset is no longer considered credit impaired, interest income recognition reverts to a computation based on the rehabilitated gross carrying value of the financial asset.

2. Material accounting policy information (cont'd)

2.30 *Fee and commission*

Fee and commission charged for services provided by the Group are recognised as or when the service is completed or significant act performed. The performance obligations, as well as the timing of their satisfaction, are identified, and determined, at the inception of the contract. Please refer to Note 32 of revenue recognition policies for the various fees and commission income streams.

2.31 *Dealing and foreign exchange income*

Dealing and foreign exchange income comprise gains/losses relating to dealing assets and liabilities and includes all realised and unrealised fair value changes, interest, and foreign exchange differences.

2.32 *Dividend income*

Dividends received from equity instruments designated at FVOCI are recognised in the profit or loss.

2.33 *Assets held for sale*

Upon reclassification, property and equipment are measured at the lower of their carrying amount and fair value less costs to sell. Financial instruments continue to be measured per the material accounting policy information in Note 2.6 Financial assets and liabilities (excluding derivatives).

3. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Group's accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Existing circumstances and assumptions about future developments may change due to circumstances beyond the Group's control and are reflected in the assumptions if and when they occur. Items with the most significant effect on the amounts recognised in the consolidated financial statements with substantial management judgement and/or estimates are collated below with respect to judgements/estimates involved.

3. Significant accounting judgements, estimates and assumptions (cont'd)

Fair value of financial instruments

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes an internal valuation team who performs an independent periodic review of the valuations of financial assets and liabilities and validates the assumptions used in the valuation models.

If third party information is used to measure fair values, then the valuation team assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of SFRS(I) 13, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level I that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the Note 44.

Credit impairment of financial instruments

The Group's expected credit loss ("ECL") calculations are outputs of complex models with a number of underlying assumptions. The significant judgements and estimates in determining expected credit loss include:

- The Group's criteria for assessing if there has been a significant increase in credit risk;
- Development of ECL models, including the choice of inputs relating to macroeconomic variables;
- Evaluation of management overlays and post-model adjustments; and
- Determination of probability weightings for Stage 3 individually assessed provisions

The calculation of ECL also includes expert credit judgement to be applied by credit risk management team based on counterparty information they receive from various sources including relationship managers and on external market information.

Further information about key assumptions concerning future, and other key sources of estimation uncertainty, are set out in Note 43.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

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4. Singapore government securities and treasury bills

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
At amortised cost	757,698	759,775	757,698	759,775
Expected credit loss allowance	(162)	(31)	(162)	(31)
	757,536	759,744	757,536	759,744
At fair value through other comprehensive income	17,340,776	7,894,727	13,890,312	5,095,243
Mandatorily at fair value through profit or loss	11,062,636	7,838,298	11,062,636	7,838,298
	29,160,948	16,492,769	25,710,484	13,693,285

The securities received as collateral under reverse repo agreements and their carrying amounts are as follows:

	Group and Bank			
	Fair value of securities received as collateral under reverse repo that can be repledged or sold		Carrying amount of receivables	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Securities purchased under reverse repo agreements	1,011,175	725,790	1,010,124	727,307

Corresponding receivables are classified under cash and balances with central bank, amounts due from intermediate holding company and its branches, amounts due from related corporations, loans and advances to banks and loans and advances to customers.

Singapore government securities sold under repurchase agreements are shown below:

	Group and Bank			
	Fair value of securities pledged		Carrying amount of payables	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Securities sold under repo agreements	331,442	841,536	330,254	839,866

Corresponding payables are classified under deposits and balances of banks, amounts due to intermediate holding company and its branches and amount due to related corporations.

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5. Other government securities and treasury bills

	Group	
	2025 S\$'000	2024 S\$'000
At amortised cost	755,261	729,713
Expected credit loss allowance	(742)	(208)
	754,519	729,505
At fair value through other comprehensive income	5,790,158	4,524,563
Mandatorily at fair value through profit or loss	5,430,247	4,831,754
	11,974,924	10,085,822

The securities received as collateral under reverse repo agreements and their carrying amounts are as follows:

	Fair value of securities received as collateral under reverse repo that can be repledged or sold		Carrying amount of receivables	
	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
Securities purchased under reverse repo agreements	7,344,298	10,316,064	7,213,640	10,211,570

Corresponding receivables are classified under cash and balances with central bank, amounts due from intermediate holding company and its branches, loans and advances to banks and loans and advances to customers.

Other government securities sold under repurchase agreements are shown below:

	Fair value of securities pledged		Carrying amount of payables	
	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
Securities sold under repo agreements	560,043	431,829	555,759	433,148

Corresponding payables are classified under deposits and balances of banks, amounts due to intermediate holding company and its branches and amount due to related corporations.

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Notes to the financial statements
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5. Other government securities and treasury bills (cont'd)

	Bank	
	2025	2024
	S\$'000	S\$'000
At fair value through other comprehensive income	3,671,497	2,563,681
Mandatorily at fair value through profit or loss	2,975,927	2,378,022
	6,647,424	4,941,703

The securities received as collateral under reverse repo agreements and their carrying amounts are as follows:

	Fair value of securities received as collateral under reverse repo that can be repledged or sold		Carrying amount of receivables	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Securities purchased under reverse repo agreements	3,463,819	7,377,723	3,478,350	7,380,490

Corresponding receivables are classified under amounts due from intermediate holding company and its branches, loans and advances to banks and loans and advances to customers.

Other government securities sold under repurchase agreements are shown below:

	Fair value of securities pledged		Carrying amount of payables	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Securities sold under repo agreements	94,966	326,589	94,909	328,931

Corresponding payables are classified under deposits and balances of banks, amounts due to intermediate holding company and its branches and amount due to related corporations.

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6. Investment securities

	Debt securities S\$'000	Group Equity shares S\$'000	Total S\$'000	Debt securities S\$'000	Bank Equity shares S\$'000	Total S\$'000
2025						
At fair value through other comprehensive income:						
- Quoted	1,779,089	—	1,779,089	1,779,089	—	1,779,089
- Unquoted	129,655	10,124	139,779	129,655	526	130,181
	1,908,744	10,124	1,918,868	1,908,744	526	1,909,270
Mandatorily at fair value through profit and loss:						
- Quoted	834,981	—	834,981	821,742	—	821,742
- Unquoted	1,306,467	985	1,307,452	1,294,504	985	1,295,489
	2,141,448	985	2,142,433	2,116,246	985	2,117,231
At amortised cost:						
- Quoted	2,423,276	—	2,423,276	2,293,626	—	2,293,626
- Unquoted	273,851	—	273,851	170,198	—	170,198
	2,697,127	—	2,697,127	2,463,824	—	2,463,824
Expected credit loss allowance	(1,035)	—	(1,035)	(590)	—	(590)
	2,696,092	—	2,696,092	2,463,234	—	2,463,234
Total	6,746,284	11,109	6,757,393	6,488,224	1,511	6,489,735

As at 31 December 2025, investment securities include S\$1,221,491,000 (2024: S\$1,291,887,000) with a related corporation, S\$1,342,000 (2024: Nil) with an associate, and S\$444,023,000 (2024: S\$301,649,000) with subsidiaries eliminated within the Group.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

**Notes to the financial statements
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6. Investment securities (cont'd)

	Debt securities S\$'000	Group Equity shares S\$'000	Total S\$'000	Debt securities S\$'000	Bank Equity shares S\$'000	Total S\$'000
2024						
At fair value through other comprehensive income:						
- Quoted	1,912,952	–	1,912,952	1,912,952	–	1,912,952
- Unquoted	79,159	10,083	89,242	79,159	277	79,436
	<u>1,992,111</u>	<u>10,083</u>	<u>2,002,194</u>	<u>1,992,111</u>	<u>277</u>	<u>1,992,388</u>
Mandatorily at fair value through profit and loss:						
- Quoted	1,862,870	–	1,862,870	1,779,486	–	1,779,486
- Unquoted	876,475	–	876,475	903,965	–	903,965
	<u>2,739,345</u>	<u>–</u>	<u>2,739,345</u>	<u>2,683,451</u>	<u>–</u>	<u>2,683,451</u>
At amortised cost:						
- Quoted	1,918,836	–	1,918,836	1,690,534	–	1,690,534
- Unquoted	148,972	–	148,972	168,824	–	168,824
	<u>2,067,808</u>	<u>–</u>	<u>2,067,808</u>	<u>1,859,358</u>	<u>–</u>	<u>1,859,358</u>
Expected credit loss allowance	(774)	–	(774)	(364)	–	(364)
	<u>2,067,034</u>	<u>–</u>	<u>2,067,034</u>	<u>1,858,994</u>	<u>–</u>	<u>1,858,994</u>
Total	<u>6,798,490</u>	<u>10,083</u>	<u>6,808,573</u>	<u>6,534,556</u>	<u>277</u>	<u>6,534,833</u>

Standard Chartered Bank (Singapore) Limited and its subsidiaries

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6. Investment securities (cont'd)

The securities received as collateral under reverse repo agreements and their carrying amounts are as follows:

	Group			
	Fair value of securities received as collateral under reverse repo that can be repledged or sold		Carrying amount of receivables	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Securities purchased under reverse repo agreements	4,242,097	1,684,681	4,041,486	1,550,750

Corresponding receivables are classified under cash and balances with central bank, amounts due from intermediate holding company and its branches, loans and advances to banks and loans and advances to customers.

Investment securities sold under repurchase agreements are shown below:

	Group			
	Fair value of securities pledged		Carrying amount of payables	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Securities sold under repo agreements	72,606	1,379	71,192	1,546

Corresponding payables are classified under deposits and balances of banks, amounts due to intermediate holding company and its branches and amount due to related corporations.

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Notes to the financial statements
For the financial year ended 31 December 2025

6. Investment securities (cont'd)

The securities received as collateral under reverse repo agreements and their carrying amounts are as follows:

	Bank			
	Fair value of securities received as collateral under reverse repo that can be repledged or sold		Carrying amount of receivables	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Securities purchased under reverse repo agreements	4,240,931	1,676,588	4,040,344	1,542,225

Corresponding receivables are classified under amounts due from intermediate holding company and its branches, loans and advances to banks and loans and advances to customers.

Investment securities sold under repurchase agreements are shown below:

	Bank			
	Fair value of securities pledged		Carrying amount of payables	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Securities sold under repo agreements	72,606	1,379	71,192	1,546

Corresponding payables are classified under deposits and balances of banks, amounts due to intermediate holding company and its branches and amount due to related corporations.

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**Notes to the financial statements
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7. Derivative financial instruments

The contractual or underlying notional amounts of derivative financial instruments and their corresponding gross positive (derivative assets) and negative (derivative liabilities) fair values at the reporting date are analysed below.

Positive and negative fair values represent the mark-to-market values of the derivative contracts. Notional amounts are the amounts underlying the contract at the reporting date.

	Group				Bank			
	2025		2024		2025		2024	
	Notional amounts S\$'000	Fair values Assets S\$'000	Liabilities S\$'000	Notional amounts S\$'000	Fair values Assets S\$'000	Liabilities S\$'000	Notional amounts S\$'000	Fair values Assets S\$'000
Foreign exchange derivatives								
Forward foreign exchange	296,633,992	1,787,094	2,018,982	293,532,866	3,202,906	2,740,046	240,389,105	1,170,800
Currency swaps	38,911,418	862,542	913,977	27,052,470	660,205	659,966	29,011,462	578,872
Options	27,808,731	276,499	252,096	30,689,369	401,933	397,160	27,009,386	253,284
	363,354,141	2,926,135	3,185,055	351,274,705	4,265,044	3,797,172	296,409,953	2,002,956
Interest rate derivatives								
Swaps	159,295,789	1,130,203	1,003,580	136,151,851	1,173,787	1,029,907	110,765,788	862,264
Options	8,449,123	70,851	28,916	5,294,885	44,917	14,090	6,728,475	7,931
	167,744,912	1,201,054	1,032,496	141,446,736	1,218,704	1,043,997	117,494,263	870,195
Credit derivatives								
Commodity derivatives	12,249,261	167,565	696,805	12,737,691	277,904	637,642	9,796,356	150,431
Equity derivatives	19,582,618	324,190	621,682	9,288,033	194,072	452,503	14,330,764	128,708
	14,109,457	295,176	296,983	7,098,682	145,466	145,474	14,071,463	295,135
Total derivatives	577,040,389	4,914,120	5,833,021	521,845,847	6,101,190	6,076,788	452,102,799	3,447,425
Other trading liabilities								
Short sale position in dealing securities			1,110,161			453,212		372,772
Total recognised derivative and other trading liabilities			6,943,182			6,530,000		4,558,910
								5,139,974

Derivative assets and liabilities include amounts of S\$6,767,000 (2024: S\$6,559,000) and S\$3,973,000 (2024: S\$5,481,000) respectively with an associate.

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**Notes to the financial statements
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7. Derivative financial instruments (cont'd)

The transactions entered into with the intermediate holding company and its branches, and related corporations as at 31 December are as follows:

	Group				Bank			
	2025		2024		2025		2024	
	Notional amounts S\$ '000	Fair values Assets S\$ '000	Liabilities S\$ '000	Notional amounts S\$ '000	Fair values Assets S\$ '000	Liabilities S\$ '000	Notional amounts S\$ '000	Fair values Assets S\$ '000
<i>Foreign exchange derivatives</i>								
Forward foreign exchange	160,417,926	1,083,143	650,696	154,173,300	1,456,803	1,341,026	147,478,300	791,583
Currency swaps	15,772,965	357,196	411,920	10,111,745	284,517	271,706	17,104,531	423,706
Options	12,847,084	102,242	95,691	14,247,009	100,220	234,151	12,730,902	102,242
	189,037,975	1,542,581	1,158,307	178,532,054	1,841,540	1,846,883	177,313,733	1,317,531
								1,285,728
								1,795,988
								1,839,983
<i>Interest rate derivatives</i>								
Swaps	106,358,912	781,994	598,259	89,867,644	904,182	663,176	105,459,391	756,615
Options	4,048,290	4,736	14,781	2,378,745	6,035	5,559	3,554,912	5,119
								10,670
	110,407,202	786,730	613,040	92,246,389	910,217	668,735	109,014,303	761,734
								711,060
								857,090
								811,425
<i>Credit derivatives</i>	4,319,661	10,376	185,824	4,909,619	240,027	16,360	4,310,990	10,376
<i>Commodity derivatives</i>	11,143,362	215,462	413,096	5,997,112	105,669	349,296	8,541,217	91,284
<i>Equity derivatives</i>	3,674,843	122,718	2,263	2,489,397	90,888	1,134	3,674,843	122,718
								2,263
								2,489,397
								90,888
								1,134
Total derivatives	318,583,043	2,677,867	2,372,530	284,174,571	3,188,341	2,882,408	302,855,086	2,303,643
								2,526,271
								3,026,723
								3,006,177

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Notes to the financial statements
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7. Derivative financial instruments (cont'd)

Derivatives held for hedging

Hedge accounting is applied to derivatives and hedged items when the criteria under SFRS(I) 1-39 have been met. The tables below list the types of derivatives that the Group holds for hedge accounting.

	Group				Bank			
	2025		2024		2025		2024	
	Notional amounts S\$'000	Fair values Assets S\$'000	Liabilities S\$'000	Notional amounts S\$'000	Fair values Assets S\$'000	Liabilities S\$'000	Notional amounts S\$'000	Fair values Assets S\$'000
<i>Derivatives designated as fair value hedges</i>								
Interest rate swaps	2,256,596	3,987	6,203	1,356,750	25,778	1,012	2,103,228	3,987
Currency swaps	2,262,392	112,398	—	1,415,298	—	68,742	2,262,392	112,398
<i>Derivatives designated as cash flow hedges</i>								
Interest rate swaps	21,530,930	87,631	25,180	11,411,633	134,704	99,863	18,693,914	84,899
Forward foreign exchange	532,336	—	15,832	82,653	1,885	—	532,336	—
Currency swaps	995,364	—	44,680	270,689	20,276	2,001	995,364	—
Total derivatives held for hedging	27,577,618	204,016	91,895	14,537,023	182,643	171,618	24,587,234	201,284
					182,643	171,618	24,587,234	201,284
							13,054,127	161,771
								167,924

Derivatives held for hedging under the Group are entered into with the intermediate holding company and its branches and external parties.

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Notes to the financial statements
For the financial year ended 31 December 2025

7. Derivative financial instruments (cont'd)

Fair value hedges

The Group uses interest rate swaps to exchange fixed rates for floating rates on funding to match floating rates received on assets or exchange fixed rates on assets to match the floating rates paid on funding. The Group further uses cross-currency swaps to match the currency of the issued debt or held asset with that of the entity's functional currency. Hedge ineffectiveness from fair value hedges is driven by cross currency basis risk and interest cashflows mismatch between the hedging instruments and underlying hedge items.

In respect of fair value hedges, the hedged items with carrying value at the end of the year relates to the following:

Group	Carrying value of hedged items		Accumulated amount of fair value hedge adjustments included in the carrying amount		Cumulative balance of fair value adjustments from de-designated hedge relationships	
	2025	2024	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Debt securities	238,804	318,206	2,282	(565)	(1,818)	1,518
Government bonds and treasury bills	249,969	973,057	1,433	(16,212)	(826)	(1,368)
Loans and advances to customers	57,168	38,175	119	(592)	-	-
Structured notes and deposits	(2,262,016)	(1,423,906)	(2,687)	(11,779)	-	-
	(1,716,075)	(94,468)	1,147	(29,148)	(2,644)	150

Bank	Carrying value of hedged items		Accumulated amount of fair value hedge adjustments included in the carrying amount		Cumulative balance of fair value adjustments from de-designated hedge relationships	
	2025	2024	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Debt securities	109,312	181,918	1,414	(828)	(1,818)	1,518
Government bonds and treasury bills	249,969	868,583	1,433	(16,117)	252	(132)
Loans and advances to customers	32,594	38,175	16	(592)	-	-
Structured notes and deposits	(2,262,016)	(1,423,906)	(2,687)	(11,779)	-	-
	(1,870,141)	(335,230)	176	(29,316)	(1,566)	1,386

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7. Derivative financial instruments (cont'd)

Fair value hedges (cont'd)

Statement of profit or loss - impact of fair value hedges is as follows:

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Change in fair value of hedging instruments	(26,096)	(21,365)	(24,756)	(21,179)
Change in fair value of hedged risks attributable to hedged items	25,960	20,089	24,579	19,888
Net ineffectiveness loss	(136)	(1,276)	(177)	(1,291)

Cash flow hedges

The Group uses interest rate swaps to manage the variability in future cash flows on assets and liabilities that have floating rates of interest by exchanging the floating rates for fixed rates.

The impact of the hedging instruments on the statement of financial position and statement of profit and loss is as follows:

		Carrying amount		Hedge	Amount
Group	Notional amounts	Asset	Liabilities	Ineffectiveness recognised in profit or loss	reclassified from reserves to income
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2025					
Interest rate swaps	21,530,930	87,631	25,180	3,294	6,786
Forward foreign exchange	532,336	–	15,832	(155)	–
Currency swaps	995,364	–	44,680	122	–
	23,058,630	87,631	85,692	3,261	6,786
2024					
Interest rate swaps	11,411,633	134,704	99,863	(2,057)	171
Forward foreign exchange	82,653	1,885	–	–	–
Currency swaps	270,689	20,276	2,001	–	–
	11,764,975	156,865	101,864	(2,057)	171

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Notes to the financial statements
For the financial year ended 31 December 2025

7. Derivative financial instruments (cont'd)

Cash flow hedges (cont'd)

Bank	Notional amounts S\$'000	Carrying amount		Hedge ineffectiveness recognised in profit or loss S\$'000	Amount reclassified from reserves to income S\$'000
		Asset S\$'000	Liabilities S\$'000		
2025					
Interest rate swaps	18,693,914	84,899	20,211	3,108	3,010
Forward foreign exchange	532,336	—	15,832	(155)	—
Currency swaps	995,364	—	44,680	122	—
	20,221,614	84,899	80,723	3,075	3,010
2024					
Interest rate swaps	10,439,303	134,704	98,613	(1,994)	(1,864)
Forward foreign exchange	82,653	1,885	—	—	—
Currency swaps	—	—	—	—	—
	10,521,956	136,589	98,613	(1,994)	(1,864)

The time periods in which the hedged cash flows are expected to occur and affect the statement of profit or loss are as below:

	Group				Bank			
	Within 1 year S\$'000	Between 1 to 5 years S\$'000	More than 5 years S\$'000	Total S\$'000	Within 1 year S\$'000	Between 1 to 5 years S\$'000	More than 5 years S\$'000	Total S\$'000
2025								
Forecast receivable cash flows	761,518	1,201,411	157,436	2,120,365	679,347	1,102,071	157,436	1,938,854
Forecast payable cash flows	(29,196)	—	—	(29,196)	(29,196)	—	—	(29,196)
2024								
Forecast receivable cash flows	490,439	814,038	168,303	1,472,780	466,024	792,664	168,303	1,426,991
Forecast payable cash flows	—	—	—	—	—	—	—	—

Standard Chartered Bank (Singapore) Limited and its subsidiaries

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7. Derivative financial instruments (cont'd)

Maturity of hedging instruments

2025		Less than one month	Group More than one month and less than one year	One to five years	More than five years
Fair value hedges					
<i>Interest rate swaps</i>					
Notional	S\$'000	—	774,269	1,482,327	—
Average fixed interest rate	USD	—	3.48%	3.78%	—
	MYO	—	—	—	—
	AUD	—	—	—	—
	SGD	—	2.35%	2.13%	—
	THO	—	1.37%	—	—
<i>Currency swaps</i>					
Notional	S\$'000	—	—	2,262,392	—
Average fixed interest rate	EUR	—	—	2.26%	—
Average exchange rate	EUR/USD	—	—	0.89	—
Cash flow hedges					
<i>Interest rate swaps</i>					
Notional	S\$'000	234,343	4,078,273	15,932,069	1,286,245
Average fixed interest rate	USD	4.02%	3.83%	3.50%	3.76%
	SGD	2.95%	3.16%	2.54%	—
	MYO	3.57%	2.14%	2.96%	—
	BRL	—	—	—	—
<i>Currency swaps</i>					
Notional	S\$'000	—	995,364	—	—
Average fixed interest rate	BRL	—	6.29%	—	—
Average exchange rate	BRL/USD	—	5.95	—	—
<i>Forward foreign exchange</i>					
Notional	S\$'000	—	150,369	381,967	—
Average exchange rate	BRL/USD	—	—	6.37	—
	EUR/USD	—	0.84	—	—

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7. Derivative financial instruments (cont'd)

Maturity of hedging instruments

2024		Less than one month	Group More than one month and less than one year	One to five years	More than five years
Fair value hedges					
<i>Interest rate swaps</i>					
Notional	S\$'000	—	142,750	1,214,000	—
Average fixed interest rate	USD	—	1.22%	2.81%	—
	MYO	—	3.42%	—	—
	AUD	—	—	—	—
	SGD	—	—	5.40%	—
	THO	—	—	—	—
<i>Currency swaps</i>					
Notional	S\$'000	—	—	1,415,298	—
Average fixed interest rate	EUR	—	—	2.40%	—
Average exchange rate	EUR/USD	—	—	0.91	—
Cash flow hedges					
<i>Interest rate swaps</i>					
Notional	S\$'000	276,839	3,790,464	5,984,080	1,360,250
Average fixed interest rate	USD	4.79%	4.39%	3.79%	3.74%
	SGD	3.22%	3.34%	2.89%	—
	MYO	—	3.52%	3.45%	—
	BRL	—	—	11.62%	—
<i>Currency swaps</i>					
Notional	S\$'000	—	270,689	—	—
Average fixed interest rate	KRO	—	3.11%	—	—
	THO	—	2.20%	—	—
Average exchange rate	KRO/USD	—	1,220.50	—	—
	THO/USD	—	33.81	—	—
	THO/MYO	—	—	—	—
<i>Forward foreign exchange</i>					
Notional	S\$'000	—	82,653	—	—
Average exchange rate	INR/USD	—	83.63	—	—

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7. Derivative financial instruments (cont'd)

Maturity of hedging instruments

2025		Less than one month	Bank More than one month and less than one year	One to five years	More than five years
Fair value hedges					
<i>Interest rate swaps</i>					
Notional	S\$'000	–	709,827	1,393,401	–
Average fixed interest rate	USD	–	3.46%	3.62%	–
	AUD	–	–	–	–
	SGD	–	2.35%	2.13%	–
<i>Currency swaps</i>					
Notional	S\$'000	–	–	2,262,392	–
Average fixed interest rate	EUR	–	–	2.26%	–
Average exchange rate	EUR/USD	–	–	0.89	–
Cash flow hedges					
<i>Interest rate swaps</i>					
Notional	S\$'000	201,056	3,321,546	13,885,067	1,286,245
Average fixed interest rate	USD	4.02%	3.83%	3.50%	3.76%
	SGD	2.95%	3.16%	2.54%	–
	BRL	–	–	–	–
<i>Currency swaps</i>					
Notional	S\$'000	–	995,364	–	–
Average fixed interest rate	BRL	–	6.29%	–	–
Average exchange rate	BRL/USD	–	5.95	–	–
<i>Forward foreign exchange</i>					
Notional	S\$'000	–	150,369	381,967	–
Average exchange rate	BRL/USD	–	–	6.37	–
	EUR/USD	–	0.84	–	–

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7. Derivative financial instruments (cont'd)

Maturity of hedging instruments

		Bank			
		Less than one month	More than one month and less than one year	One to five years	More than five years
2024					
Fair value hedges					
<i>Interest rate swaps</i>					
Notional	S\$'000	—	38,767	1,078,106	—
Average fixed interest rate	USD	—	0.01%	2.47%	—
	AUD	—	—	—	—
	SGD	—	—	2.59%	—
<i>Currency swaps</i>					
Notional	S\$'000	—	—	1,415,298	—
Average fixed interest rate	EUR	—	—	1.22%	—
Average exchange rate	EUR/USD	—	—	0.91	—
Cash flow hedges					
<i>Interest rate swaps</i>					
Notional	S\$'000	276,839	2,818,134	5,984,080	1,360,250
Average fixed interest rate	USD	4.79%	4.39%	3.79%	3.74%
	SGD	3.22%	3.34%	2.89%	—
	BRL	—	—	11.62%	—
<i>Currency swaps</i>					
Notional	S\$'000	—	—	—	—
Average fixed interest rate	KRO	—	—	—	—
Average exchange rate	KRO/USD	—	—	—	—
<i>Forward foreign exchange</i>					
Notional	S\$'000	—	82,653	—	—
Average exchange rate	INR/USD	—	83.63	—	—

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8. Loans and advances to banks

	Note	Group		Bank	
		2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
At amortised cost		10,851,723	7,153,446	6,870,620	4,874,342
Expected credit loss allowance	11	(2,011)	(2,267)	(1,841)	(1,608)
		10,849,712	7,151,179	6,868,779	4,872,734
Mandatorily at fair value through profit or loss		1,990,915	2,117,316	1,199,952	1,288,638
		12,840,627	9,268,495	8,068,731	6,161,372
<i>Maturity analysis</i>					
Within 7 days		1,574,589	1,119,605	288,683	710,286
Over 7 days to 1 month		551,925	648,343	185,088	83,380
Over 1 month to 3 months		3,771,087	2,550,959	1,578,808	930,012
Over 3 months to 1 year		6,285,941	3,042,146	5,365,702	2,567,889
Over 1 to 3 years		646,234	1,807,690	639,429	1,769,394
Over 3 years		12,862	102,019	12,862	102,019
		12,842,638	9,270,762	8,070,572	6,162,980

9. Loans and advances to customers

	Note	Group		Bank	
		2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
At amortised cost		81,365,404	73,741,087	66,494,923	59,439,124
Expected credit loss allowance	11	(719,630)	(760,526)	(404,176)	(439,704)
		80,645,774	72,980,561	66,090,747	58,999,420
Mandatorily at fair value through profit or loss		3,200,615	1,437,086	3,200,615	1,207,488
		83,846,389	74,417,647	69,291,362	60,206,908
<i>Maturity analysis</i>					
Within 7 days		18,911,788	15,079,860	16,232,819	12,092,071
Over 7 days to 1 month		8,309,918	7,515,222	6,650,464	6,045,822
Over 1 month to 3 months		5,356,901	4,537,952	3,873,526	3,066,359
Over 3 months to 1 year		6,298,017	5,517,232	5,248,025	4,115,107
Over 1 to 3 years		6,918,899	7,270,201	5,916,268	6,071,214
Over 3 years		38,770,496	35,257,706	31,774,436	29,256,039
		84,566,019	75,178,173	69,695,538	60,646,612

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10. Bills receivable

		Group		Bank	
	Note	2025 S\$'000	2024 S\$'000	2025 S\$'000	2024 S\$'000
At amortised cost		8,888,114	10,224,222	7,566,184	9,032,306
Expected credit loss allowance	11	(43,625)	(45,534)	(43,511)	(44,169)
		8,844,489	10,178,688	7,522,673	8,988,137

11. Expected credit loss allowance

Movement in expected credit loss allowance included within loans and advances to banks, customers and bills receivable is as follows:

	Note	Stage 1	Stage 2	Stage 3	Total
		S\$'000	S\$'000	S\$'000	S\$'000
Group					
Loans and advances to banks, customers and bills receivable at amortised cost					
Balance at 1 January 2025		150,218	69,630	588,479	808,327
Transfer to Stage 1		122,780	(122,780)	—	—
Transfer to Stage 2		(36,799)	51,139	(14,340)	—
Transfer to Stage 3		(718)	(57,479)	58,197	—
Net remeasurement of loss allowance		(153,048)	112,471	632,535	591,958
New financial assets purchased or originated during the period		155,522	25,564	5,963	187,049
Financial assets that have been derecognised		(65,170)	(20,126)	(483,737)	(569,033)
Net (release)/charge against profit	37	(62,696)	117,909	154,761	209,974
Write-offs		—	—	(233,960)	(233,960)
Discount unwinding		—	—	(14,931)	(14,931)
Foreign exchange and other movements		(2,729)	(690)	(725)	(4,144)
At 31 December 2025		170,056	57,729	537,481	765,266

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Notes to the financial statements
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11. Expected credit loss allowance (cont'd)

Movement in expected credit loss allowance included within loans and advances to banks, customers and bills receivable is as follows: (cont'd)

	Note	Stage 1	Stage 2	Stage 3	Total
		S\$'000	S\$'000	S\$'000	S\$'000
Group					
Loans and advances to banks, customers and bills receivable at amortised cost					
Balance at 1 January 2024		109,782	72,164	589,967	771,913
Transfer to Stage 1		123,189	(123,189)	—	—
Transfer to Stage 2		(37,434)	72,898	(35,464)	—
Transfer to Stage 3		(308)	(52,153)	52,461	—
Net remeasurement of loss allowance		(112,308)	76,400	554,228	518,320
New financial assets purchased or originated during the period		126,485	39,535	11,093	177,113
Financial assets that have been derecognised		(63,926)	(18,181)	(410,102)	(492,209)
Net (release)/charge against profit	37	(49,749)	97,754	155,219	203,224
Write-offs		—	—	(134,924)	(134,924)
Discount unwinding		—	—	(20,171)	(20,171)
Foreign exchange and other movements		4,738	2,156	(18,609)	(11,715)
At 31 December 2024		150,218	69,630	588,479	808,327

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11. Expected credit loss allowance (cont'd)

Movement in expected credit loss allowance included within loans and advances to banks, customers and bills receivable is as follows: (cont'd)

	Note	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Bank					
Loans and advances to banks, customers and bills receivable at amortised cost					
Balance at 1 January 2025		74,411	44,765	366,305	485,481
Transfer to Stage 1		80,559	(80,559)	—	—
Transfer to Stage 2		(19,477)	24,870	(5,393)	—
Transfer to Stage 3		—	(28,764)	28,764	—
Net remeasurement of loss allowance		(116,169)	70,337	228,034	182,202
New financial assets purchased or originated during the period		101,111	22,826	—	123,937
Financial assets that have been derecognised		(28,602)	(13,486)	(156,687)	(198,775)
Net (release)/charge against profit	37	(43,660)	79,677	71,347	107,364
Write-offs		—	—	(118,146)	(118,146)
Discount unwinding		—	—	(6,950)	(6,950)
Foreign exchange and other movements		(362)	(1,107)	(16,752)	(18,221)
At 31 December 2025		91,471	38,882	319,175	449,528

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11. Expected credit loss allowance (cont'd)

Movement in expected credit loss allowance included within loans and advances to banks, customers and bills receivable is as follows: (cont'd)

	Note	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Bank					
Loans and advances to banks, customers and bills receivable at amortised cost					
Balance at 1 January 2024		53,655	52,000	371,094	476,749
Transfer to Stage 1		77,668	(77,668)	—	—
Transfer to Stage 2		(16,403)	46,977	(30,574)	—
Transfer to Stage 3		—	(27,225)	27,225	—
Net remeasurement of loss allowance		(63,020)	36,174	189,344	162,498
New financial assets purchased or originated during the period		63,637	25,396	175	89,208
Financial assets that have been derecognised		(44,595)	(11,875)	(115,427)	(171,897)
Net (release)/charge against profit	37	(43,978)	49,695	74,092	79,809
Write-offs		—	—	(77,507)	(77,507)
Discount unwinding		—	—	(7,340)	(7,340)
Foreign exchange and other movements		3,469	986	9,315	13,770
At 31 December 2024		74,411	44,765	366,305	485,481

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11. Expected credit loss allowance (cont'd)

Movement in expected credit loss allowance relating to debt securities is as follows:

	Note	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Group					
Debt securities held at amortised cost and fair value through other comprehensive income*					
Balance at 1 January 2025		1,483	—	374	1,857
Net remeasurement of loss allowance		1,915	(19)	—	1,896
Net financial assets purchased or originated during the period		2,204	307	—	2,511
Net charge against profit	37	4,119	288	—	4,407
Foreign exchange and other movements		66	(2)	16	80
At 31 December 2025		5,668	286	390	6,344

* Includes Singapore and other government securities.

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11. Expected credit loss allowance (cont'd)

Movement in expected credit loss allowance relating to debt securities is as follows: (cont'd)

	Note	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Group					
Debt securities held at amortised cost and fair value through other comprehensive income*					
Balance at 1 January 2024		1,330	—	354	1,684
Net remeasurement of loss allowance		(1,049)	—	—	(1,049)
Net financial assets purchased or originated during the period		1,229	—	—	1,229
Net release against profit	37	180	—	—	180
Foreign exchange and other movements		(27)	—	20	(7)
At 31 December 2024		1,483	—	374	1,857

* Includes Singapore and other government securities.

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Notes to the financial statements
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11. Expected credit loss allowance (cont'd)

Movement in expected credit loss allowance relating to debt securities is as follows: (cont'd)

	Note	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Bank					
Debt securities held at amortised cost and fair value through other comprehensive income*					
Balance at 1 January 2025		735	–	–	735
Net remeasurement of loss allowance		768	(19)	–	749
Net financial assets purchased or originated during the period		1,175	307	–	1,482
Net charge against profit	37	1,943	288	–	2,231
Foreign exchange and other movements		(23)	(2)	–	(25)
At 31 December 2025		2,655	286	–	2,941
Debt securities held at amortised cost and fair value through other comprehensive income*					
Balance at 1 January 2024		654	–	–	654
Net remeasurement of loss allowance		(645)	–	–	(645)
Net financial assets purchased or originated during the period		781	–	–	781
Net charge against profit	37	136	–	–	136
Foreign exchange and other movements		(55)	–	–	(55)
At 31 December 2024		735	–	–	735

* Includes Singapore and other government securities.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
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11. Expected credit loss allowance (cont'd)

Classified credit facilities

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Gross classified credit facilities</i>				
Substandard	454,754	499,594	126,311	184,760
Doubtful	166,167	248,989	103,589	45,782
Loss	463,171	475,252	272,541	323,271
	1,084,092	1,223,835	502,441	553,813

Classified credit facilities represent all outstanding loans and advances, bills receivable and debt securities classified as substandard, doubtful and loss in accordance with the loan grading guidelines under MAS Notice 612 to Banks.

Included within substandard are loans and advances with credit grading 12 amounting to Group: S\$34,011,000; Bank: S\$31,949,000 (2024: Group: S\$40,858,000; Bank: S\$39,543,000).

12. Amount due from/to intermediate holding company and its branches

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Amounts due from intermediate holding company and its branches:				
- Trade	9,304,138	10,437,479	8,754,098	10,111,256
- Non-trade	416,307	274,247	398,406	248,508
	9,720,445	10,711,726	9,152,504	10,359,764
Amounts due to intermediate holding company and its branches:				
- Trade	2,721,256	3,955,336	2,133,529	3,789,835
- Non-trade	1,172,281	663,341	862,867	432,484
	3,893,537	4,618,677	2,996,396	4,222,319

The amounts due from/to intermediate holding company and its branches comprise loans and placements, nostro accounts, deposits, repos, reverse repos and other balances.

Included in the above balances are amounts which are secured and unsecured, interest-bearing and interest-free.

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13. Amount due from/to related corporations

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Amounts due from related corporations:				
- Trade	718,989	649,325	594,286	593,721
- Non-trade	216,366	215,810	207,749	208,195
	<u>935,355</u>	<u>865,135</u>	<u>802,035</u>	<u>801,916</u>
Amounts due to related corporations:				
- Trade	3,440,205	2,979,605	2,190,429	1,404,179
- Non-trade	135,382	161,104	120,282	141,060
	<u>3,575,587</u>	<u>3,140,709</u>	<u>2,310,711</u>	<u>1,545,239</u>

The amounts due from/to related corporations comprise loans and placements, nostro accounts, deposits, repos, reverse repos and other balances with related corporations of the intermediate holding company.

Included in the above balances are amounts which are secured and unsecured, interest-bearing and interest-free.

14. Amounts due from/to subsidiaries

	Bank	
	2025	2024
	S\$'000	S\$'000
Trade amount due from subsidiaries	<u>3,536,738</u>	<u>4,758,178</u>
	Bank	
	2025	2024
	S\$'000	S\$'000
Trade amount due to subsidiaries	<u>6,949,122</u>	<u>8,170,194</u>

The amounts due from/to subsidiaries comprise loans and placements, nostro accounts, and deposits and other balances with subsidiaries of the Bank.

Included in the above balances are amounts which are unsecured, interest-bearing and interest-free.

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15. Other assets

	Group	
	2025	2024
	S\$'000	S\$'000
Non-financial assets:		
Precious metal and emissions certificates ¹	11,157,803	3,845,080
Prepayments and others	150,261	288,004
	11,308,064	4,133,084
Financial assets:		
<u>Interest receivable</u>		
- Intermediate holding company and its branches	9,368	9,187
- Related corporations	3,030	3,542
- Others	607,513	637,126
	619,911	649,855
Unsettled receivables, settlement and clearing balances	1,380,699	210,330
Cash collaterals	1,342,087	866,181
Sundry receivables	788,082	534,002
	4,130,779	2,260,368
	15,438,843	6,393,452

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15. Other assets (cont'd)

	Bank	
	2025	2024
	S\$'000	S\$'000
Non-financial assets:		
Precious metal and emissions certificates ¹	11,157,803	3,845,080
Prepayments and others	72,203	81,302
	11,230,006	3,926,382
Financial assets:		
<u>Interest receivable</u>		
- Intermediate holding company and its branches	9,327	8,470
- Related corporations	3,029	3,504
- Subsidiaries	8,007	6,904
- Others	512,274	539,597
	532,637	558,475
Unsettled receivables, settlement and clearing balances	1,044,473	67,499
Cash collaterals	563,842	463,260
Sundry receivables	677,530	487,273
	2,818,482	1,576,507
	14,048,488	5,502,889

¹ Precious metal and emissions certificates are carried at fair value less costs to sell, S\$8.6 billion (2024: S\$1 billion) are classified as Level 1 and S\$2.5 billion (2024: S\$2.8 billion) are classified as Level 2.

16. Assets held for sale

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets held at amortised cost				
Loans and advances to customers	37,179	70,765	37,179	70,765

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17. Property and equipment

Group	Note	Leasehold premises S\$'000	Renovation at premises S\$'000	Furniture and fixtures S\$'000	Computer and office equipment S\$'000	Projects in progress S\$'000	Leased premises S\$'000	Leased equipment asset S\$'000	Total S\$'000
Cost									
At 1 January 2024		129,286	126,227	10,728	23,413	11,027	325,224	423	626,328
Additions		45	3,276	377	946	7,235	31,188	330	43,397
Transfers		(6,246)	19,102	1,288	878	(15,022)	—	—	—
Transfers from other branches/subsidiaries		—	—	—	—	101	—	—	101
Disposals/write-offs		(15)	(951)	(95)	(364)	—	(9,668)	(418)	(11,511)
Foreign exchange		(41)	1,167	156	451	80	1,010	12	2,835
At 31 December 2024 and at 1 January 2025		123,029	148,821	12,454	25,324	3,421	347,754	347	661,150
Additions		129	3,597	730	1,913	7,219	15,366	140	29,094
Transfers		—	2,583	23	1,706	(4,312)	—	—	—
Transfers to other branches/subsidiaries		—	—	—	—	(23)	—	—	(23)
Disposals/write-offs		—	—	(18)	(53)	—	(1,576)	—	(1,647)
Foreign exchange		(28)	592	111	(30)	38	(434)	11	260
At 31 December 2025		123,130	155,593	13,300	28,860	6,343	361,110	498	688,834
Accumulated depreciation									
At 1 January 2024		54,005	50,835	3,762	9,130	—	93,540	423	211,695
Depreciation for the year	36	3,086	19,492	2,207	5,094	—	45,174	82	75,135
Transfers		393	(393)	—	—	—	—	—	—
Impairment charge		—	—	—	—	—	72	—	72
Disposals/write-offs		(15)	(951)	(95)	(364)	—	(8,997)	(418)	(10,840)
Foreign exchange		12	776	121	326	—	748	(1)	1,982
At 31 December 2024 and at 1 January 2025		57,481	69,759	5,995	14,186	—	130,537	86	278,044
Depreciation for the year	36	4,760	18,404	2,188	4,919	—	43,195	101	73,567
Impairment charge		—	—	—	—	—	—	—	—
Disposals/write-offs		—	—	(18)	(40)	—	(774)	—	(832)
Foreign exchange		(22)	514	100	19	—	(228)	4	387
At 31 December 2025		62,219	88,677	8,265	19,084	—	172,730	191	351,166
Carrying amounts									
At 31 December 2024		65,548	79,062	6,459	11,138	3,421	217,217	261	383,106
At 31 December 2025		60,911	66,916	5,035	9,776	6,343	188,380	307	337,668

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17. Property and equipment (cont'd)

Bank	Note	Leasehold premises S\$'000	Renovation at premises S\$'000	Furniture and fixtures S\$'000	Computer and office equipment S\$'000	Projects in progress S\$'000	Leased Premises S\$'000	Total S\$'000
Cost								
At 1 January 2024		121,300	106,428	7,497	7,032	8,689	277,001	527,947
Additions		—	3,258	368	218	5,387	17,330	26,561
Transfers		—	10,173	1,288	450	(11,911)	—	—
Transfers from other branches/subsidiaries		—	—	—	—	101	—	101
At 31 December 2024 and at 1 January 2025		121,300	119,859	9,153	7,700	2,266	294,331	554,609
Additions		—	2,995	730	811	3,129	2,751	10,416
Transfers		—	495	—	—	(495)	—	—
Disposals/write-offs		—	—	—	—	—	(100)	(100)
Transfers to other branches/subsidiaries		—	—	—	—	(23)	—	(23)
At 31 December 2025		121,300	123,349	9,883	8,511	4,877	296,982	564,902
Accumulated depreciation								
At 1 January 2024		51,547	38,774	1,861	1,363	—	65,602	159,147
Depreciation for the year	36	4,401	12,382	1,681	1,567	—	33,985	54,016
Impairment charge		—	—	—	—	—	—	—
Disposals/write-offs		—	—	—	—	—	—	—
At 31 December 2024 and at 1 January 2025		55,948	51,156	3,542	2,930	—	99,587	213,163
Depreciation for the year	36	4,514	14,582	1,890	1,653	—	31,886	54,525
Impairment charge		—	—	—	—	—	—	—
Disposals/write-offs		—	—	—	—	—	(76)	(76)
At 31 December 2025		60,462	65,738	5,432	4,583	—	131,397	267,612
Carrying amounts								
At 31 December 2024		65,352	68,703	5,611	4,770	2,266	194,744	341,446
At 31 December 2025		60,838	57,611	4,451	3,928	4,877	165,585	297,290

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18. Investments in associates

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Investments in associates	72,509	72,509	72,509	72,509
Share of cashflow hedge reserve	(254)	136	—	—
Share of profit	3,550	5,753	—	—
Share of retained earnings	12,098	9,082	—	—
Others	2,034	2,034	—	—
Net carrying amount	89,937	89,514	72,509	72,509

Details of the associates are as follows:

Name of associate	Principal activity	Principal place of business/ country of incorporation	Ownership interest	
			2025	2024
			%	%
Clifford Capital Holdings Pte Ltd	Project and structured asset-backed debt financing	Singapore	9.9	9.9
Verified Impact Exchange Holding Pte Ltd	Securities and Commodities Exchange	Singapore	13.421	13.421

The Group considered Clifford Capital Holdings Pte Ltd and its subsidiaries to be an associate as it has significant influence through its representation on the Board of Clifford Capital Holdings Pte Ltd. As at 31 December 2025, based on the latest available management accounts, Clifford Capital Holdings Pte Ltd total assets was S\$8.6 billion (2024: S\$7.1 billion) and total liabilities was S\$7.5 billion (2024: S\$6.0 billion).

The Group considered Verified Impact Exchange Holdings Pte Ltd to be an associate as it has significant influence through its representation on the Board and participation in the policy making and relevant activities.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2025

19. Investments in subsidiaries

	Bank	
	2025 S\$'000	2024 S\$'000
Investments in subsidiaries	3,515,643	3,575,604

Details of principal subsidiaries of the Group are as follows:

Name of principal subsidiary	Principal activity	Principal place of business/ country of incorporation	Group effective ownership interest	
			2025 %	2024 %
Prunelli Singapore Asset Purchaser Pte Ltd ¹	Asset-backed debt financing	Singapore	100	100
Trust Bank Singapore Ltd	Banking	Singapore	60	60
Standard Chartered Bank (Malaysia) Berhad	Banking	Malaysia	100	100
Standard Chartered Saadiq Berhad	Islamic banking business	Malaysia	100	100
Standard Chartered Bank (Thai) Public Company Limited	Banking	Thailand	99.871	99.871
Standard Chartered Bank (Vietnam) Limited	Banking	Vietnam	100	100
Banzu Covered Bond Pte Ltd ²	Other financial services	Singapore	100	100

¹ Prunelli Singapore Asset Purchaser Pte Ltd is a structured entity established for the purpose of acquiring trade finance exposures and issuing Asset Funding Companies funding notes. The Bank provides funding and hedging facilities to it.

² Banzu Covered Bond Pte Ltd is a bankruptcy-remote structured entity established in conjunction with the Bank's Covered Bond Programme (see Note 23). As part of the contractual structures that are integral to this programme, the Bank provides funding and hedging facilities to it.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
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19. Investments in subsidiaries (cont'd)

Interest in subsidiaries with material non-controlling interest (NCI)

Only Trust Bank Singapore Limited has NCI that is material to the Group. The following table summarises the financial information about Trust Bank Singapore Limited before intercompany eliminations.

	2025 S\$'000	2024 S\$'000
Net assets attributable to NCI	92,467	103,911
Total comprehensive income attributable to NCI	(21,444)	(37,316)
Summarised financial information		
Balance sheet		
Total assets	4,410,398	4,134,708
Total liabilities	(4,119,230)	(3,874,930)
Total net assets	291,168	259,778
Statement of comprehensive income/(loss)		
Operating income	135,031	96,861
Loss for the year	(53,530)	(93,399)
Other comprehensive (loss)/income	(80)	108
Total comprehensive loss for the year	(53,610)	(93,291)
Cash flow statement		
Net cash flows (used in)/generated from operating activities	(162,955)	1,411,344
Net cash flows used in investing activities	(119,840)	(1,481,626)
Net cash flows generated from financing activities	82,620	182,229
Net (decrease)/increase in cash and cash equivalents	(200,175)	111,947

Standard Chartered Bank (Singapore) Limited and its subsidiaries

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20. Goodwill and intangible assets

Group	Note	Goodwill S\$'000	Intangible assets S\$'000	Capitalised software S\$'000	Projects in Progress S\$'000	Total S\$'000
Cost						
At 1 January 2024		279,373	4,269	1,189,138	6,328	1,479,108
Additions		–	–	18,296	134,725	153,021
Transfers (to)/from other branches/subsidiaries		–	–	(3,972)	121,355	117,383
Impairment		–	–	–	(1,196)	(1,196)
Disposals/write-offs		–	–	(99,205)	(11,820)	(111,025)
Transfers		–	–	240,383	(240,383)	–
Foreign exchange		–	–	13,050	19	13,069
At 31 December 2024 and at 1 January 2025		279,373	4,269	1,357,690	9,028	1,650,360
Additions		–	–	23,229	99,523	122,752
Transfers from other branches/subsidiaries		–	–	–	108,550	108,550
Impairment		–	–	–	(522)	(522)
Disposals/write-offs		–	(4,269)	(98,733)	–	(103,002)
Transfers		–	–	207,393	(207,393)	–
Foreign exchange		–	–	8,314	4	8,318
At 31 December 2025		279,373	–	1,497,893	9,190	1,786,456
Accumulated depreciation						
At 1 January 2024		–	4,269	451,255	–	455,524
Amortisation during the year	36	–	–	184,406	–	184,406
Disposals/write-offs		–	–	(7,840)	–	(7,840)
Impairment		–	–	4,946	–	4,946
Foreign exchange		–	–	6,433	–	6,433
At 31 December 2024 and at 1 January 2025		–	4,269	639,200	–	643,469
Amortisation during the year	36	–	–	184,485	–	184,485
Disposals/write-offs		–	(4,269)	(98,733)	–	(103,002)
Impairment		–	–	9,007	–	9,007
Foreign exchange		–	–	4,247	–	4,247
At 31 December 2025		–	–	738,206	–	738,206
Carrying amounts						
At 31 December 2024		279,373	–	718,490	9,028	1,006,891
At 31 December 2025		279,373	–	759,687	9,190	1,048,250

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
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20. Goodwill and intangible assets (cont'd)

Bank	Note	Goodwill S\$'000	Intangible assets S\$'000	Capitalised software S\$'000	Projects in Progress S\$'000	Total S\$'000
Cost						
At 1 January 2024		279,373	4,269	821,259	867	1,105,768
Additions		–	–	16,928	54,507	71,435
Transfers from other branches/subsidiaries		–	–	–	110,894	110,894
Impairment		–	–	–	(1,196)	(1,196)
Disposals/write-offs		–	–	(70,185)	(5,491)	(75,676)
Transfers		–	–	158,591	(158,591)	–
At 31 December 2024 and at 1 January 2025		279,373	4,269	926,593	990	1,211,225
Additions		–	–	21,301	30,284	51,585
Transfers from other branches/subsidiaries		–	–	–	103,471	103,471
Impairment		–	–	–	(371)	(371)
Disposals/write-offs		–	(4,269)	(61,685)	–	(65,954)
Transfers		–	–	131,672	(131,672)	–
At 31 December 2025		279,373	–	1,017,881	2,702	1,299,956
Accumulated depreciation						
At 1 January 2024		–	4,269	315,392	–	319,661
Amortisation during the year	36	–	–	124,644	–	124,644
Disposals/write-offs		–	–	(4,931)	–	(4,931)
Impairment		–	–	3,956	–	3,956
At 31 December 2024 and at 1 January 2025		–	4,269	439,061	–	443,330
Amortisation during the year	36	–	–	127,177	–	127,177
Disposals/write-offs		–	(4,269)	(61,685)	–	(65,954)
Impairment		–	–	7,222	–	7,222
At 31 December 2025		–	–	511,775	–	511,775
Carrying amounts						
At 31 December 2024		279,373	–	487,532	990	767,895
At 31 December 2025		279,373	–	506,106	2,702	788,181

20. Goodwill and intangible assets (cont'd)

Intangible assets comprise customer relationships which are amortised over the expected future economic benefits to be derived from these customer relationships. The Bank has evaluated the useful life of these customer relationships, and determined that the initial estimated useful life of 7 years remains appropriate.

An annual assessment is made as to whether the current carrying amount of goodwill is impaired. For the purposes of impairment testing, goodwill is allocated at the date of acquisition to a cash-generating unit ("CGU"). The CGU was determined to be the retail banking business in Singapore. Goodwill is considered impaired if the carrying amount of the CGU exceeds its recoverable amount. The recoverable amount of the CGU was measured based on its value-in-use. The key assumptions used in determining the recoverable amount is set out below and are solely estimates for the purposes of assessing impairment of goodwill.

The following table sets out the pre-tax discount rate and long-term GDP growth rates used in determining value-in-use:

	Group and Bank	
	2025	2024
	%	%
Pre-tax discount rate	12.21	12.43
Long-term forecast GDP growth rates	2.03	2.31

The calculation of value-in-use is calculated using five-year cash flow projections and an estimated terminal value based on a perpetuity value after year five. These cash flows are discounted using pre-tax discount rates which reflect market rates appropriate to the CGU. The perpetuity terminal value amount is calculated using year five cash flows using long-term GDP growth rates.

The cash flow projections are based on budgets and forecasts approved by management covering five years to 2030. Management has assumed an average projected revenue growth rate of 8% (2024: 9%) in the five-year forecast, which is based on expectations of future outcomes taking into account past experience, adjusted for the anticipated growth.

The key assumptions described above may change as economic and market conditions change.

At 31 December 2025 and 2024, the results of the annual assessment indicate that there is no impairment on goodwill. Management believes that a reasonable possible change in any of the key assumptions on which the recoverable amount has been based would not cause the carrying amount to exceed the recoverable amount.

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21. Deposits and balances of banks

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Designated at fair value through profit or loss	336,010	176,680	336,010	176,680
At amortised cost	5,657,140	5,589,012	4,603,164	4,774,381
	5,993,150	5,765,692	4,939,174	4,951,061
Maturity analysis:				
Within 7 days	4,131,066	2,842,591	3,150,971	2,140,283
Over 7 days to 1 month	83,956	136,354	53,456	75,546
Over 1 month to 3 months	1,609,737	1,456,457	1,594,359	1,448,943
Over 3 months to 1 year	168,301	786,101	140,298	742,100
Over 1 to 3 years	—	544,099	—	544,099
Over 3 years	90	90	90	90
	5,993,150	5,765,692	4,939,174	4,951,061

As at 31 December 2025, the deposits and balances of banks placed by a related party amounted to S\$270,000 (2024: S\$247,000).

22. Deposits of non-bank customers

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
At amortised cost	148,819,501	135,126,662	122,035,021	110,243,920
Maturity analysis:				
Within 7 days	106,943,662	96,355,060	86,347,933	77,007,011
Over 7 days to 1 month	11,710,385	12,577,081	10,095,664	11,336,856
Over 1 month to 3 months	12,695,758	10,362,905	11,100,198	8,912,835
Over 3 months to 1 year	17,438,000	15,699,862	14,468,532	12,920,577
Over 1 to 3 years	25,019	107,685	18,909	62,957
Over 3 years	6,677	24,069	3,785	3,684
	148,819,501	135,126,662	122,035,021	110,243,920

As at 31 December 2025, the deposits of non-bank customers placed by related parties amounted to S\$65,874,000 (2024: S\$29,036,000).

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2025

23. Structured notes and deposits

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Designated at fair value through profit or loss ¹	1,874,446	852,677	1,646,077	502,862
At amortised cost ²	2,429,082	1,626,903	2,390,121	1,626,903
	4,303,528	2,479,580	4,036,198	2,129,765
Maturity analysis:				
Within 7 days	30,794	13,602	24,529	13,602
Over 7 days to 1 month	375,082	19,688	318,474	1,667
Over 1 month to 3 months	362,620	390,082	248,526	192,247
Over 3 months to 1 year	606,773	476,193	538,194	359,908
Over 1 to 3 years	1,698,536	805,611	1,676,752	788,011
Over 3 years	1,229,723	774,404	1,229,723	774,330
	4,303,528	2,479,580	4,036,198	2,129,765

Structured notes and deposits include debt securities issued, credit-linked, fixed and floating rate notes, with maturities ranging from 2 January 2026 to 30 September 2030.

Structured notes and deposits also include listed debt securities issued by the Bank as follow:

¹ Debt securities of approximately S\$38,996,000 (2024: S\$41,393,000) on Euronext Dublin as part of the US\$25,000,000,000 Notes, Certificates and Warrants Programme ("Programme"). Other than the Bank, its intermediate holding company and Standard Chartered Bank (Hong Kong) Limited also issued debt as part of the Programme.

² Issuance by the Bank of approximately S\$2,262,000,000 (2024: S\$1,415,000,000) on the Singapore Exchange as part of the Bank's Covered Bond Programme. The outstanding covered bonds were issued between 21 May 2024 and 27 August 2025 and mature between 28 May 2027 and 3 September 2029.

Pursuant to the Bank's USD 5 billion Covered Bond Programme, selected pools of residential mortgages originated by the Bank have been assigned to a bankruptcy-remote structured entity, Banzu Covered Bond Pte Ltd. These residential mortgages continue to be recognised on the Bank's balance sheet as the Bank remains exposed to the risks and rewards associated with them. The carrying amount of the assigned residential mortgages is approximately S\$3,112,000,000 (2024: S\$3,932,000,000).

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24. Other liabilities

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Non-financial liabilities:				
Provision for employee related expenses	410,801	341,671	329,855	270,426
Expected credit loss allowance for contingent liabilities and commitments (a)	26,150	43,458	13,873	26,159
Liability for short-term accumulated compensated absences	14,770	13,341	11,684	9,965
Sundry accruals and deferred income ¹	713,697	805,100	671,755	755,752
Others	31,655	31,174	14,395	11,283
	1,197,073	1,234,744	1,041,562	1,073,585
Financial liabilities:				
<u>Interest payable</u>				
- Intermediate holding company and its branches	29,028	24,946	27,705	22,110
- Related corporations	12,546	17,840	9,473	13,668
- Subsidiaries	—	—	51,968	139,133
- Others	433,244	445,685	350,686	379,972
	474,818	488,471	439,832	554,883
Lease liabilities	202,444	229,622	178,932	206,574
Unsettled payables, settlement and clearing balances	2,615,190	1,746,090	2,255,297	1,486,896
Sundry payables	623,254	473,422	534,048	378,420
Amounts due to loan sub-participants	695,851	809,033	695,851	809,033
Cash collaterals	554,302	486,954	266,143	327,410
Others	195,001	256,444	179,630	250,855
	5,360,860	4,490,036	4,549,733	4,014,071
	6,557,933	5,724,780	5,591,295	5,087,656

¹ Includes deferred fee income of S\$458,558,000 (2024: S\$559,547,000) arising from a 15 year regional distribution agreement entered with Prudential, to be amortised on a straight-line basis. The income will be earned evenly over the next 6.5 years (2024: 7.5 years). For the 12 months ended 31 December 2025, S\$100,990,000 (2024: S\$54,761,000) of fee income was released from deferred income.

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Notes to the financial statements
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24. Other liabilities (cont'd)

(a) Movement in expected credit loss allowance for undrawn commitments and financial guarantees is as follows:

Group	Notes	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Undrawn commitments and financial guarantees					
Balance at 1 January 2025		12,693	13,223	17,542	43,458
Transfer to Stage 1		7,339	(7,339)	—	—
Transfer to Stage 2		(2,363)	6,013	(3,650)	—
Transfer to Stage 3		—	(156)	156	—
Net remeasurement of loss allowance		(5,915)	(3,396)	2,152	(7,159)
New financial assets purchased or originated during the period		13,338	—	—	13,338
Financial assets that have been derecognised		(10,104)	(5,363)	(7,416)	(22,883)
Net release against profit	37	(2,681)	(8,759)	(5,264)	(16,704)
Foreign exchange and other movements		(1,241)	1,290	(653)	(604)
At 31 December 2025		13,747	4,272	8,131	26,150
Undrawn commitments and financial guarantees					
Balance at 1 January 2024		8,608	4,470	31,982	45,060
Transfer to Stage 1		10,345	(10,345)	—	—
Transfer to Stage 2		(3,938)	3,938	—	—
Transfer to Stage 3		—	(747)	747	—
Net remeasurement of loss allowance		(4,321)	16,777	(10,081)	2,375
New financial assets purchased or originated during the period		13,051	—	—	13,051
Financial assets that have been derecognised		(11,268)	(1,047)	(1,647)	(13,962)
Net charge/(release) against profit	37	(2,538)	15,730	(11,728)	1,464
Foreign exchange and other movements		216	177	(3,459)	(3,066)
At 31 December 2024		12,693	13,223	17,542	43,458

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24. Other liabilities (cont'd)

- (a) Movement in expected credit loss allowance for undrawn commitments and financial guarantees is as follows (cont'd):

Bank	Notes	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Undrawn commitments and financial guarantees					
Balance at 1 January 2025		9,444	11,959	4,756	26,159
Transfer to Stage 1		5,241	(5,241)	–	–
Transfer to Stage 2		(1,311)	4,886	(3,575)	–
Transfer to Stage 3		–	(25)	25	–
Net remeasurement of loss allowance		(4,439)	(5,480)	(256)	(10,175)
New financial assets purchased or originated during the period		9,867	–	–	9,867
Financial assets that have been derecognised		(6,301)	(4,650)	(772)	(11,723)
Net release against profit	37	(873)	(10,130)	(1,028)	(12,031)
Foreign exchange and other movements		(1,251)	1,174	(178)	(255)
At 31 December 2025		11,250	2,623	–	13,873

Bank	Notes	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Undrawn commitments and financial guarantees					
Balance at 1 January 2024		5,330	2,515	24,414	32,259
Transfer to Stage 1		8,420	(8,420)	–	–
Transfer to Stage 2		(3,091)	3,091	–	–
Transfer to Stage 3		–	–	–	–
Net remeasurement of loss allowance		(1,931)	14,903	(14,906)	(1,934)
New financial assets purchased or originated during the period		6,150	–	–	6,150
Financial assets that have been derecognised		(5,504)	(241)	(1,143)	(6,888)
Net charge/(release) against profit	37	(1,285)	14,662	(16,049)	(2,672)
Foreign exchange and other movements		70	111	(3,609)	(3,428)
At 31 December 2024		9,444	11,959	4,756	26,159

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25. Subordinated notes

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
At amortised cost	3,409,126	3,738,019	3,409,126	3,585,998
	Group			
	2025	2024		
	S\$'000	S\$'000		
Issued by the Bank:				
US\$540 million Floating Rate Subordinated Notes due 2030 Callable in 2025	(a)	—	734,535	
US\$400 million Floating Rate Subordinated Notes due 2030 Callable in 2025	(b)	—	544,100	
US\$550 million Floating Rate Subordinated Notes due 2032 Callable in 2027	(c)	707,435	748,138	
US\$400 million Floating Rate Subordinated Notes due 2033 Callable in 2028	(d)	514,498	544,100	
US\$500 million Floating Rate Subordinated Notes due 2033 Callable in 2028	(e)	643,123	680,125	
S\$335 million Floating Rate Subordinated Notes due 2034 Callable in 2029	(f)	335,000	335,000	
US\$540 million Floating Rate Subordinated Notes due 2035 Callable in 2030	(g)	694,572	—	
US\$400 million Floating Rate Subordinated Notes due 2035 Callable in 2030	(h)	514,498	—	
			3,409,126	3,585,998
Issued by Subsidiaries:				
RM500 million Floating Rate Subordinated Bonds due 2029 Callable in 2024	(i)	—	152,021	
Total Subordinated Notes			3,409,126	3,738,019

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25. Subordinated notes (cont'd)

- (a) Interest is payable quarterly at the US SOFR plus 2.21% per annum to Standard Chartered PLC (2024: quarterly at the US SOFR plus 2.21% per annum). The subordinated notes were fully redeemed in April 2025.
- (b) Interest is payable quarterly at the US SOFR plus 2.86% per annum to Standard Chartered Bank (2024: quarterly at the US SOFR plus 2.86% per annum). The subordinated notes were fully redeemed in August 2025.
- (c) Interest is payable quarterly at the US SOFR plus 3.25% per annum to Standard Chartered Bank (2024: quarterly at the US SOFR plus 3.25% per annum).
- (d) Interest is payable quarterly at the US SOFR plus 3.06% per annum to Standard Chartered Bank (2024: quarterly at the US SOFR plus 3.06% per annum).
- (e) Interest is payable quarterly at the US SOFR plus 3.15% per annum to Standard Chartered Bank (2024: quarterly at the US SOFR plus 3.15% per annum).
- (f) Interest is payable quarterly at the SGD SORA plus 2.15% per annum to Standard Chartered Bank (2024: SGD SORA plus 2.15% per annum).
- (g) Interest is payable quarterly at the US SOFR plus 2.1% per annum to Standard Chartered Bank.
- (h) Interest is payable quarterly at the US SOFR plus 1.9% per annum to Standard Chartered Bank.
- (i) Interest is payable semi-annually at the 6-month KLIBOR plus 1.20% per annum to Standard Chartered Bank. The subordinated notes are excluded from the computation of regulatory capital for the Group. (2024: 6-month KLIBOR plus 1.20% per annum). The subordinated notes were fully redeemed in February 2025.

The Group has not had any default of principal, interest or other breaches with respect to the notes issued.

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Group S\$'000	Bank S\$'000
At 1 January 2025	3,738,019	3,585,998
Changes from financing cash flows:		
- Redemption of subordinated notes	(1,372,409)	(1,219,334)
- Proceeds from issue of subordinated notes	1,219,334	1,219,334
- Effect of exchange rate changes	(175,818)	(176,872)
At 31 December 2025	3,409,126	3,409,126
At 1 January 2024	3,568,810	3,149,254
Changes from financing cash flows:		
- Redemption of subordinated notes	(276,035)	—
- Proceeds from issue of subordinated notes	335,000	335,000
- Effect of exchange rate changes	110,244	101,744
At 31 December 2024	3,738,019	3,585,998

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26. Deferred tax

Movements in deferred tax liabilities and assets during the year are as follows:

Group	At 1 January 2024 S\$'000	Statement of profit or loss (Note 38) S\$'000	Translation difference S\$'000	Fair value through other com- prehensive income S\$'000	Cash flow hedge reserve S\$'000	OCA reserve S\$'000	At 31 December 2025 S\$'000
Deferred tax liabilities							
<i>Deferred tax assets/(liabilities)</i>							
Property and equipment	(3,048)	(823)	-	-	-	-	(3,447)
Intangible assets (capitalised software plus GE intangibles)	(68,068)	2,119	-	-	-	-	(68,301)
Government and other debt securities	3,275	209	2	(4,615)	-	-	(4,292)
Expected credit loss allowance	(21,021)	(6,456)	-	-	-	-	(9,842)
Derivatives held for hedging	(2,711)	-	(82)	-	4,986	-	(13,265)
Own credit adjustment	(14)	-	(2)	-	-	-	(325)
Share options	25,329	7,551	-	-	-	(346)	40,496
Tax losses carried forward	-	-	-	-	-	-	-
Others	(8,245)	5,623	-	-	-	-	(15,161)
Net deferred tax liabilities	(74,503)	8,223	(82)	(4,615)	4,986	(346)	(74,137)

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Movements in deferred tax liabilities and assets during the year are as follows: (cont'd)

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Notes to the financial statements
For the financial year ended 31 December 2025

26. Deferred tax (cont'd)

Movements in deferred tax liabilities and assets during the year are as follows: (cont'd)

Bank	At 1 January 2024 S\$'000	Statement of profit or loss (Note 38) S\$'000	Translation difference S\$'000	Fair value through other comprehensive income S\$'000	Cash flow hedge reserve S\$'000	OCA reserve S\$'000	At 31 December 2024 and at 1 January 2025 S\$'000	Statement of profit or loss (Note 38) S\$'000	Translation difference S\$'000	Fair value through other comprehensive income S\$'000	Cash flow hedge reserve S\$'000	OCA reserve S\$'000	At 31 December 2025 S\$'000
Deferred tax liabilities													
<i>Deferred tax assets/(liabilities)</i>													
Property and equipment	(3,048)	(823)	-	-	-	-	(3,871)	423	-	-	-	-	(3,448)
Intangible assets (capitalised)	(68,068)	2,119	-	-	-	-	(65,949)	(2,352)	-	-	-	-	(68,301)
software plus GE intangibles)													
Government and other debt securities	3,275	209	2	(4,615)	-	-	(1,129)	(49)	(1)	(1,610)	-	-	(2,789)
Expected credit loss allowance	(21,021)	(6,456)	-	-	-	-	(27,477)	14,221	-	-	-	-	(13,256)
Derivatives held for hedging	(2,711)	-	(82)	-	4,986	-	2,193	-	228	-	(15,684)	-	(13,263)
Own credit adjustment	(14)	-	(2)	-	-	(60)	(76)	-	11	-	-	(368)	(433)
Share options	25,329	7,551	-	-	-	-	32,880	7,616	-	-	-	-	40,496
Others	(8,245)	5,623	-	-	-	-	(2,622)	(1,391)	-	-	-	-	(4,013)
Net deferred tax liabilities	(74,503)	8,223	(82)	(4,615)	4,986	(60)	(66,051)	18,468	238	(1,610)	(15,684)	(368)	(65,007)

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**Notes to the financial statements
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27. Share capital, other equity instruments and reserves

Share capital

	Ordinary shares		Non-cumulative redeemable preference shares					
	2025	2024	Class B		Class C		Class D	
	No. of shares	No. of shares	2025	2024	2025	2024	2025	2024
	million	million	No. of shares	No. of shares	No. of shares	No. of shares	No. of shares	No. of shares
In issue at 1 January	5,975	5,975	2,500	2,500	–	3,750	2,000	2,000
Issued for cash	–	–	–	–	–	–	–	–
Redeemed by cash	–	–	–	–	–	(3,750)	–	–
In issue at 31 December	5,975	5,975	2,500	2,500	–	–	2,000	2,000

	2025	2024
	S\$'000	S\$'000
Ordinary shares	7,690,429	7,690,429
Non-cumulative redeemable preference shares	1,081,209	1,081,209
	8,771,638	8,771,638

There were no changes to the issued and paid-up share capital in the financial year ended 31 December 2025.

On 3 October 2024, 3,750 non-cumulative Tier 1 preference shares were redeemed from Standard Chartered PLC for a total consideration of S\$750 million.

The holder of ordinary shares is entitled to receive dividends as declared by the Board of Directors from time to time and is entitled to one vote per share at meetings of the Bank. All shares rank equally with regard to the Bank's residual assets, except that the preference shareholder participates only to the extent of the face value of the shares.

The holder of non-cumulative redeemable preference shares is entitled to receive any non-cumulative preferential cash dividend to be declared at the sole discretion of the Board. The non-cumulative redeemable preference shares rank in priority to the Bank's ordinary shares. The Bank has an optional call date on the Class B, Class C and Class D preference shares from 12 April 2026, 3 October 2024 and 20 October 2028 respectively. The non-cumulative redeemable preference shares qualify as Additional Tier 1 capital of the Bank.

Other equity instruments

There were no changes to the perpetual capital securities issued in the financial year ended 31 December 2025.

On 19 September 2024, the Bank issued perpetual capital securities to Standard Chartered Bank with a face value of S\$750 million. The capital securities are callable from September 2029. The securities qualify as Additional Tier 1 capital under "Notice on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore" (MAS Notice 637).

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2025

27. Share capital, other equity instruments and reserves (cont'd)

Dividends

The following one-tier tax exempt dividends were declared and paid by the Group and Bank.

	Group and Bank	
	2025	2024
	S\$'000	S\$'000
S\$0.11 per ordinary share (2024: S\$0.10)	686,967	590,820
Nil per non-cumulative redeemable preference share (Class C) (2024: S\$5,389.73)	—	20,211
Nil per non-cumulative redeemable preference share (Class C) (2024: S\$5,389.73)	—	20,211
S\$12,283.89 per non-cumulative redeemable preference share (Class B) (2024: S\$14,032.35)	30,710	35,082
S\$12,133.35 per non-cumulative redeemable preference share (Class B) (2024: S\$13,437.17)	30,333	33,593
Additional Tier 1 capital securities: fixed rate resetting perpetual capital securities	39,750	—
S\$5,537.36 per non-cumulative redeemable preference share (Class D) (2024: S\$7,446.42)	11,075	14,893
S\$6,562.78 per non-cumulative redeemable preference share (Class D) (2024: S\$7,544.58)	13,125	15,089
	811,960	729,899

Exchange translation reserve

The exchange translation reserve comprises the translation differences arising from translating the US\$ book of the Bank and the subsidiaries' non-S\$ functional currencies to the Group's presentation currency, which is the Singapore dollar.

Fair value through other comprehensive income reserve

The fair value through other comprehensive income reserve comprises the cumulative net change in the fair value of securities held at fair value through other comprehensive income until the securities are derecognised or impaired.

Cash flow hedge reserve

The cash flow hedge reserve comprises the effective portion of the cumulative net change in the fair value of derivatives that are designated and qualify as cash flow hedge.

Own credit adjustment reserve

The own credit adjustment ("OCA") reserve represents the cumulative gains and losses on financial liabilities designated at fair value through profit or loss relating to own credit. On derecognition of applicable instruments, the balance of any OCA will not be recycled to the profit or loss but will be transferred within equity to retained earnings.

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Notes to the financial statements
For the financial year ended 31 December 2025

27. Share capital, other equity instruments and reserves (cont'd)

Regulatory loss allowance reserve

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

28. Contingent liabilities and commitments

	Group^(a)		Bank^(b)	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Contingent liabilities:				
Direct credit substitutes	5,048,225	5,320,890	4,796,841	4,760,018
Transaction-related contingencies	7,046,154	6,480,755	4,767,442	4,331,610
Trade-related contingencies	96,645	46,089	63,341	21,945
	12,191,024	11,847,734	9,627,624	9,113,573
Contingent liabilities, of which				
- Less than one year	9,860,235	9,471,978	8,210,763	7,687,379
- One to five years	2,245,313	2,191,226	1,380,329	1,330,200
- More than five years	85,476	184,530	36,532	95,994
	12,191,024	11,847,734	9,627,624	9,113,573
Commitments:				
Undrawn credit lines and other commitments to extend credit ^(c)				
- Less than one year	2,221,100	1,714,914	1,982,134	1,438,495
- More than one year	11,052,524	10,047,299	10,551,917	9,884,227
- Unconditionally cancellable	50,597,173	48,561,675	38,910,755	37,054,508
Forward loans placed ^(c)	—	43,392	257,249	587,492
	63,870,797	60,367,280	51,702,055	48,964,722

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28. Contingent liabilities and commitments (cont'd)

- (a) As at 31 December 2025, contingent liabilities and commitments include balances facing intermediate holding company, associate and other related parties amounting to S\$233,002,000 (2024: S\$346,635,000), S\$ 128,625,000 (2024: S\$136,025,000) and S\$951,386,000 (2024: S\$611,224,000) respectively.
- (b) As at 31 December 2025, contingent liabilities and commitments include balances facing intermediate holding company, associates and other related parties amounting to S\$155,415,000 (2024: S\$346,635,000), S\$128,625,000 (2024: S\$136,025,000) and S\$812,330,000 (2024: S\$611,224,000) respectively, and facing subsidiaries of S\$696,511,000 (2024: S\$637,555,000) which are eliminated within the Group.
- (c) Relates to transactions where the Group has confirmed its intention to provide funds to or on behalf of a customer in the form of loans, overdrafts, future guarantees or letters of credit which payments have not been made.

Legal matter

In June 2025, a lawsuit was filed in the Singapore High Court against Standard Chartered Bank (Singapore) Limited, by three companies now in liquidation that had misappropriated funds from 1Malaysia Development Berhad (1MDB), seeking US\$2.7 billion. The companies allege, among other things, that Standard Chartered Singapore knew or ought to have known that these companies were engaged in the fraud on 1MDB at the time that Standard Chartered Singapore effected transfers instructed by these companies. The companies allege that in doing so, Standard Chartered Singapore breached its mandate and applicable duties. Standard Chartered Singapore had reported the transaction activities of these companies before it closed their accounts in early 2013. Standard Chartered denies any and all liability and will defend against this lawsuit.

The Group has concluded that the criteria for recognising provisions and disclosing the financial effect of contingent liabilities pursuant to SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets* are not met with respect to the above matter as the outcome of this matter is inherently uncertain and difficult to predict.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
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29. Leases

Leases as lessee

The Group primarily enters lease contracts that grant it the right to use premises such as office premises and retail branches. The leases typically run for a period of 3 years for branch and 5 years for office, with option to renew the lease after expiry. Rental are negotiated every renewal based on the prevailing market rent.

The right-of-use asset balances and depreciation charges are disclosed in Note 17.

Amounts recognised in profit or loss

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Lease under</u>				
<u>SFRS(I) 16</u>				
Interest on lease liabilities	9,321	10,747	8,577	10,155
Expenses relating to leases of low-value assets	813	677	7	9

Amounts recognised in cash flow statement

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Total cash outflow for leases	40,885	38,731	27,851	25,989

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2025

29. Leases (cont'd)

Leases as lessor

Operating lease

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Operating leases under SFRS(I) 16</u>				
Less than one year	128	128	128	128
One to two years	106	128	106	128
Two to three years	—	106	—	106
Total	234	362	234	362

30. Unconsolidated structured entities

Unconsolidated structured entities are all structured entities that are not controlled by the Group. The Group enters into transactions with unconsolidated structured entities as part of the normal course of business to facilitate customer transactions and for specific investment opportunities. An interest in a structured entity is contractual or non-contractual involvement which creates variability of the returns of the Group arising from the performance of the structured entity.

The table below presents the carrying amount of the assets recognised in the financial statements relating to variable interests held in unconsolidated structured entities, the maximum exposure to loss relating to those interests and the total assets of the structured entities. Maximum exposure to loss is primarily limited to the carrying amount of the Group's on-balance sheet exposure to the structured entity. For commitments and contingent liabilities, the maximum exposure to loss is the notional amount of potential future losses.

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Total interest – assets	13,523,712	10,367,350	12,740,339	9,639,333
Off balance sheet	2,069,787	1,563,039	1,638,683	1,366,009
Maximum exposure to loss	15,593,499	11,930,389	14,379,022	11,005,342
Total assets of structured entities	42,452,016	21,732,421	41,338,213	21,004,404

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31. Interest income and expense

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Interest income:				
Intermediate holding company and its branches	435,169	378,713	429,731	348,062
Related corporations	73,704	51,699	72,962	50,450
Subsidiaries	—	—	133,851	84,704
Others	5,057,566	6,081,597	3,868,358	4,929,905
	5,566,439	6,512,009	4,504,902	5,413,121
Interest expense:				
Intermediate holding company and its branches	(293,931)	(351,288)	(279,370)	(320,648)
Related corporations	(158,113)	(178,396)	(83,905)	(80,720)
Subsidiaries	—	—	(277,720)	(300,136)
Others	(3,838,309)	(4,262,115)	(3,253,765)	(3,689,777)
	(4,290,353)	(4,791,799)	(3,894,760)	(4,391,281)
Interest income includes:				
Income arising from impaired financial assets	14,047	19,508	6,861	7,340
Income arising from financial assets not at fair value through profit or loss, of which:				
- Income arising from financial assets held at amortised cost	5,051,064	6,086,201	4,139,746	5,145,115
- Income arising from financial assets held at fair value through other comprehensive income	501,328	406,300	358,295	260,666
	5,566,439	6,512,009	4,504,902	5,413,121

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Notes to the financial statements
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31. Interest income and expense (cont'd)

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Interest expense includes:				
Expense arising from financial liabilities not at fair value through profit or loss	(4,290,353)	(4,791,799)	(3,894,760)	(4,391,281)
	(4,290,353)	(4,791,799)	(3,894,760)	(4,391,281)

32. Fee and commission income and expense

The Group applies the following practical expedients:

- Information on amounts of transaction price allocated to unsatisfied (or partially unsatisfied) performance obligations at the end of the reporting period is not disclosed as almost all fee-earning contracts have an expected duration of less than one year
- Promised consideration is not adjusted for the effects of a significant financing component as the period between the Group providing a service and the customer paying for it is expected to be less than one year
- Incremental costs of obtaining a fee-earning contract are recognised upfront in 'Fees and commission expense' rather than amortised, if the expected term of the contract is less than one year

The determination of the services performed for the customer, the transaction price, and when the services are completed depends on the nature of the product with the customer. The main considerations on income recognition by product are as follows:

Transaction banking

The Group recognises fee income associated with transactional trade and cash management at the point in time the service is provided. The Group recognises income associated with trade contingent risk exposures (such as letters of credit and guarantees) over the period in which the service is provided.

Payment of fees is usually received at the same time the service is provided. In some cases, letters of credit and guarantees issued by the Group have annual upfront premiums, which are amortised on a straight-line basis to fee income over the year.

32. Fee and commission income and expense (cont'd)

Global markets

The Group recognises fee income at the point in time the service is provided. Fee income is recognised for a significant non-lending service when the transaction has been completed and the terms of the contract with the customer entitle the Group to the fee. This includes fees such as structuring and advisory fees. Fees are usually received shortly after the service is provided.

Syndication fees are recognised when the syndication is complete. This is defined as the point where the Group achieved the final approved hold position which is when the performance obligations are satisfied. Fees are generally received before completion of the syndication, or within 12 months of the transaction date.

Securities services include custody services, fund accounting and administration, and broker clearing. Fees are recognised over the period the custody or fund management services are provided, or as and when broker services are requested.

Wealth management

Upfront consideration on bancassurance agreements is amortised straight-line over the contractual term. Commissions for bancassurance activities are recorded as they are earned through sales of third-party insurance products to customers. These commissions are received within a short time frame of the commission being earned. Target-linked fees are accrued based on a percentage of the target achieved, provided it is assessed as highly probable that the target will be met. Cash payment is received at a contractually specified date after achievement of a target has been confirmed.

Upfront and trailing commissions for managed investment placements are recorded as they are confirmed. Income from these activities is relatively even throughout the period, and cash is usually received within a short time frame after the commission is earned.

Retail products

The Group recognises income earned from retail products at the point in time when the Group is entitled to such fee, where the service is completed at the time of the customer's request.

In most of our retail markets there are circumstances under which fees are waived, income recognition is adjusted to reflect customer's intent to pay the annual fee. The Group defers the fair value of reward points on its credit card reward programmes, and recognises income and costs associated with fulfilling the reward at the time of redemption.

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32. Fee and commission income and expense (cont'd)

The following tables summarise the fee and commission income and expense breakdown:

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Fee and commission income:				
Intermediate holding company and its branches	207,455	165,741	173,509	135,093
Related corporations	69,938	73,705	63,156	66,940
Subsidiaries	—	—	13,373	13,966
Others	1,846,340	1,644,551	1,606,642	1,417,070
	2,123,733	1,883,997	1,856,680	1,633,069
Corporate & Investment Banking	643,332	638,124	520,021	526,804
Wealth & Retail Banking	1,433,398	1,194,431	1,330,904	1,105,873
Other banking	6,119	1,244	5,755	392
Ventures	40,884	50,198	—	—
	2,123,733	1,883,997	1,856,680	1,633,069
Fee and commission expense:				
Intermediate holding company and its branches	(240,275)	(256,181)	(220,949)	(237,695)
Related corporations	(209,391)	(251,704)	(177,015)	(210,055)
Subsidiaries	—	—	(8,045)	(12,024)
Others	(231,063)	(209,340)	(172,914)	(134,147)
	(680,729)	(717,225)	(578,923)	(593,921)
Corporate & Investment Banking	(328,003)	(373,534)	(273,489)	(322,880)
Wealth & Retail Banking	(335,521)	(312,335)	(299,469)	(269,403)
Other banking	(5,907)	(2,362)	(5,965)	(1,638)
Ventures	(11,298)	(28,994)	—	—
	(680,729)	(717,225)	(578,923)	(593,921)

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32. Fee and commission income and expense (cont'd)

The following tables summarise the fee and commission income and expense breakdown (cont'd):

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Fee and commission income:	2,123,733	1,883,997	1,856,680	1,633,069
Financial instruments that are not fair valued through profit or loss	450,526	521,113	319,883	396,502
Trust and other fiduciary activities	304,061	237,155	254,875	192,548
Fee and commission expense:	(680,729)	(717,225)	(578,923)	(593,921)
Financial instruments that are not fair valued through profit or loss	(145,895)	(296,003)	(99,779)	(227,710)
Trust and other fiduciary activities	(62,950)	(40,050)	(57,367)	(32,465)
Net fee and commission income	1,443,004	1,166,772	1,277,757	1,039,148

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32. Fee and commission income and expense (cont'd)

32.1 Net fee and commission income/(expense) by product

Group	2025				2024 ¹			
	Corporate & Investment Banking	Wealth & Retail Banking	Other banking	Total	Corporate & Investment Banking	Wealth & Retail Banking	Other banking	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Transaction Services	169,853	–	–	169,853	141,667	–	–	141,667
Payments and Liquidity	21,462	–	–	21,462	(4,025)	–	–	(4,025)
Securities Services	62,191	–	–	62,191	57,530	–	–	57,530
Trade and Working Capital	86,200	–	–	86,200	88,162	–	–	88,162
Global Banking	84,147	–	–	84,147	120,200	–	–	120,200
Lending and Financial Solutions	35,723	–	–	35,723	100,000	–	–	100,000
Capital Market and Advisory	48,424	–	–	48,424	20,200	–	–	20,200
Global Markets	67,870	–	–	67,870	3,159	–	–	3,159
Macro Trading	66,138	–	–	66,138	7,208	–	–	7,208
Credit Trading	1,891	–	–	1,891	3,260	–	–	3,260
Valuation and other adjustments	(159)	–	–	(159)	(7,309)	–	–	(7,309)
Wealth solutions	–	1,037,397	–	1,037,397	–	820,182	–	820,182
Investment Products	–	628,597	–	628,597	–	444,584	–	444,584
Bancassurance	–	408,800	–	408,800	–	375,598	–	375,598
Deposits & Mortgages	–	4,078	–	4,078	–	300	–	300
Credit Cards and Personal Loans ("CCPL") and Other	–	48,127	–	48,127	–	52,235	–	52,235
Unsecured Lending	–	–	–	29,586	–	–	–	21,204
Ventures Digital Banks	–	–	212	1,946	(436)	9,379	(1,118)	–
Treasury & Other Products	(6,541)	8,275	–	–	–	–	–	7,825
Net fee and commission income	315,329	1,097,877	212	29,586	264,590	882,096	(1,118)	1,166,772

¹ Products have been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025 by Standard Chartered PLC.

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32. Fee and commission income and expense (cont'd)

32.1 Net fee and commission income/(expense) by product (cont'd)

Bank	2025				2024 ¹			
	Corporate & Investment Banking	Wealth & Retail Banking	Other banking	Total	Corporate & Investment Banking	Wealth & Retail Banking	Other banking	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Transaction Services	96,452	-	-	96,452	72,907	-	-	72,907
Payments and Liquidity	(6,413)	-	-	(6,413)	(25,706)	-	-	(25,706)
Securities Services	39,532	-	-	39,532	33,003	-	-	33,003
Trade and Working Capital	63,333	-	-	63,333	65,610	-	-	65,610
Global Banking	77,166	-	-	77,166	119,759	-	-	119,759
Lending and Financial Solutions	28,943	-	-	28,943	99,898	-	-	99,898
Capital Market and Advisory	48,223	-	-	48,223	19,861	-	-	19,861
Global Markets	79,497	-	-	79,497	11,753	-	-	11,753
Macro Trading	78,003	-	-	78,003	16,565	-	-	16,565
Credit Trading	1,654	-	-	1,654	2,497	-	-	2,497
Valuation and other adjustments	(160)	-	-	(160)	(7,309)	-	-	(7,309)
Wealth solutions	-	990,104	-	990,104	-	784,691	-	784,691
Investment Products	-	596,045	-	596,045	-	420,614	-	420,614
Bancassurance	-	394,059	-	394,059	-	364,077	-	364,077
Deposits & Mortgages	-	(1,637)	-	(1,637)	-	(2,572)	-	(2,572)
Credit Cards and Personal Loans ("CCPL") and Other	-	32,734	-	32,734	-	45,113	-	45,113
Unsecured Lending	(6,583)	10,234	(210)	3,441	(495)	9,238	(1,246)	7,497
Treasury & Other Products	-	-	-	-	-	-	-	-
Net fee and commission income	246,532	1,031,435	(210)	1,277,757	203,924	836,470	(1,246)	1,039,148

¹ Products have been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025 by Standard Chartered PLC.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

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For the financial year ended 31 December 2025

33. Dealing and foreign exchange income

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Net gains on instruments held for trading	2,413,617	1,955,374	2,007,313	1,635,917
Net losses from fair value hedging	(183)	(1,564)	(195)	(1,291)
Net losses on instruments designated at fair value	(3,111)	(50,070)	(2,919)	(49,835)
Net gains on financial assets mandatorily at fair value through profit or loss	95,015	170,998	70,594	138,454
	2,505,338	2,074,738	2,074,793	1,723,245

34. Other income

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Gains/(losses) on disposal of securities measured at fair value through other comprehensive income	2,865	(28,387)	(4,408)	(28,290)
Losses on disposal of financial assets measured at amortised cost	(5,529)	(5,697)	(5,467)	(5,194)
Mark-up on share of cost recharged to intermediate holding company and its branches	3,507	3,560	3,507	3,560
Others	5,466	23,129	50	12,476
	6,309	(7,395)	(6,318)	(17,448)

Standard Chartered Bank (Singapore) Limited and its subsidiaries

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For the financial year ended 31 December 2025

35. Staff costs

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Salaries and allowances, bonuses and commission	1,458,719	1,362,846	1,192,327	1,103,195
Contribution to defined contribution plan and benefit plan	88,729	86,483	62,444	61,292
Share based payments	112,438	155,972	103,471	148,418
Restructuring cost charge	21,135	38,157	12,419	31,519
Others	68,136	62,248	40,656	36,914
Head office allocation and share of cost recharges from group entities - net	(84,517)	(94,595)	(84,517)	(94,595)
	1,664,640	1,611,111	1,326,800	1,286,743

36. Other operating expenses

		Group		Bank	
	Note	2025	2024	2025	2024
		S\$'000	S\$'000	S\$'000	S\$'000
Amortisation of intangible assets	20	184,485	184,406	127,177	124,644
Auditor's remuneration		5,101	5,081	2,986	2,809
Depreciation of property and equipment	17	73,567	75,135	54,525	54,016
Maintenance and hire of property and equipment		54,544	51,702	40,933	39,114
Rent		1,151	1,242	7	9
Legal and consultancy fee		87,885	83,852	66,490	56,089
Advertising and publicity		83,630	63,783	59,795	42,027
Information technology related cost		52,684	106,857	17,605	16,502
Subscriptions		48,273	45,995	39,328	38,259
Travel and transport		28,570	21,741	24,869	18,837
Communication		12,792	13,381	7,254	7,610
Others		122,955	115,185	77,291	65,179
Head office allocation and share of cost recharges from group entities - net		801,324	732,813	436,510	413,312
		1,556,961	1,501,173	954,770	878,407

Standard Chartered Bank (Singapore) Limited and its subsidiaries

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37. Impairment losses

		Group		Bank	
	Note	2025	2024	2025	2024
		S\$'000	S\$'000	S\$'000	S\$'000
Net credit impairment on loans and advances to banks and customers and bills receivable	11	209,974	203,224	107,364	79,809
Net credit impairment relating to debt and government securities	11	4,407	180	2,231	136
Net credit impairment relating to undrawn commitments and financial guarantees	24	(16,704)	1,464	(12,031)	(2,672)
Impairment of other assets		11,315	11,603	9,377	10,521
		208,992	216,471	106,941	87,794

38. Income tax expense

		Group		Bank	
	Note	2025	2024	2025	2024
		S\$'000	S\$'000	S\$'000	S\$'000
Current tax expense:					
Current year		221,360	210,718	177,263	164,175
(Over)/Under provision in respect of prior year		(27,692)	6,064	(28,142)	5,116
		193,668	216,782	149,121	169,291
Deferred tax expense:					
Movements in temporary differences	26	21,487	(5,044)	(3,597)	(4,859)
(Over)/Under provision in respect of prior year	26	(14,168)	(5,159)	(14,871)	(3,364)
Withholding tax expense		8,189	6,925	8,189	6,925
		209,176	213,504	138,842	167,993

The Group falls within the Pillar Two global minimum tax rules which apply in Singapore from 1 January 2025. The SFRS(I) 1-12 exception to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes has been applied.

The Group has assessed and determined that there is no Pillar Two top-up tax liability for 2025.

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Notes to the financial statements
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38. Income tax expense (cont'd)

Reconciliation of tax expense

The following represents a reconciliation between tax expense calculated based on the Singapore tax rate and the effective tax rate of the Group and the Bank:

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Profit before income tax	1,804,377	1,631,931	1,669,635	1,753,817
Tax calculated using Singapore tax rate of 17%	306,744	277,428	283,838	298,149
Tax effects of:				
Concessionary tax rates*	(104,198)	(112,589)	(104,198)	(112,589)
Expenses not deductible for tax purposes	40,120	42,716	9,685	21,454
Tax exempt revenue	(26,309)	(21,182)	(17,028)	(40,865)
Different tax rate in different countries	16,002	10,521	—	—
Unrecognised tax losses	9,119	15,613	—	—
Other items	1,369	(6,833)	1,369	(6,833)
(Over)/Under provision in respect of prior year	(41,860)	905	(43,013)	1,752
Withholding tax expense	8,189	6,925	8,189	6,925
	209,176	213,504	138,842	167,993

* Chargeable income arising from the Bank's qualifying transactions is taxed at concessionary tax rates of 10% and 13.5% (2024: 5% and 13.5%) pursuant to the Financial Sector Incentive Scheme and 0% under Section 43H of the Income Tax Act.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

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39. Geographical analysis

Geographical segment	Singapore S\$'000	Malaysia S\$'000	Thailand S\$'000	Vietnam S\$'000	Total S\$'000
2025					
Operating income	4,084,803	664,990	223,665	257,962	5,231,420
Operating expenses	(2,427,145)	(460,001)	(155,296)	(179,159)	(3,221,601)
Operating profit before impairment losses	1,657,658	204,989	68,369	78,803	2,009,819
Impairment (losses)/release	(149,804)	(53,664)	6,568	(12,092)	(208,992)
Profit from associates	3,550	—	—	—	3,550
Profit before income tax	1,511,404	151,325	74,937	66,711	1,804,377
Income tax expense	(138,842)	(40,342)	(16,218)	(13,774)	(209,176)
Profit for the year	1,372,562	110,983	58,719	52,937	1,595,201
Total assets	167,083,888	18,071,353	9,208,541	5,190,063	199,553,845
Total liabilities	157,442,531	16,208,491	8,218,465	4,751,026	186,620,513
2024					
Operating income	3,865,906	596,280	216,404	276,343	4,954,933
Operating expenses	(2,322,183)	(452,872)	(157,117)	(180,112)	(3,112,284)
Operating profit before impairment losses	1,543,723	143,408	59,287	96,231	1,842,649
Impairment losses	(121,008)	(43,213)	(26,777)	(25,473)	(216,471)
Profit from associates	5,753	—	—	—	5,753
Profit before income tax	1,428,468	100,195	32,510	70,758	1,631,931
Income tax expense	(167,995)	(23,759)	(7,177)	(14,573)	(213,504)
Profit for the year	1,260,473	76,436	25,333	56,185	1,418,427
Total assets	153,521,665	16,475,490	7,340,827	4,906,634	182,244,616
Total liabilities	144,557,288	14,760,967	6,296,211	4,432,085	170,046,551

Numbers presented in the above table consist of eliminations of transactions between the entities within the Group.

40. Employee benefits

Employees of the Bank participate in a number of share based payment plans operated by Standard Chartered PLC. Details of these are set out as follows:

2021 Standard Chartered Share Plan (the “2021 Plan”) and 2011 Standard Chartered Share Plan (the “2011 Plan”)

The 2021 Plan was approved by shareholders in May 2021 and is the Group’s main share plan, replacing the 2011 Plan for new awards from June 2021. It is used to deliver various types of share awards to employees and former employees of the Group, including directors and former executive directors:

- LTIP awards: The vesting of awards granted in 2025, 2024, 2023 are subject to performance measures. Performance measures include relative total shareholder return (“TSR”); return on tangible equity (“RoTE”) (with a Common Equity Tier 1 (“CET1”) underpin); and strategic measures (including targets set for sustainability linked to business strategy). Each measure is assessed independently over a three-year period. LTIP awards have an individual conduct gateway requirement that results in the award lapsing if not met.
- Deferred awards are used to deliver the deferred portion of variable remuneration, in line with both market practice and regulatory requirements. These awards vest in instalments on anniversaries of the award date specified at the time of grant. Deferred awards are not subject to any performance measures. This enables the Group to meet regulatory requirements relating to deferral levels, and is in line with market practice.

Deferred share awards are not subject to any performance measures.

The remaining life of the 2021 Plan during which new awards can be made is six years

Valuation - LTIP awards

The fair value of the relative TSR component is calculated using the probability of meeting the measures over a three-year performance period, using a Monte Carlo simulation model. The value of the remaining components is based on the expected performance against the RoTE and strategic measures in the scorecard and the resulting estimated number of shares expected to vest at each reporting date. These combined values are used to determine the accounting charge.

No dividend equivalents accrue for the LTIP awards made in 2025, 2024, 2023 or 2022 and the fair value takes this into account, calculated by reference to market consensus dividend yield.

	2024 12 Mar
Share price at grant date (£)	6.60
Share options granted ('000)	171
Vesting period (years)	3 – 7
Expected dividend yield (%)	4.20
Fair value (RoTE) (£)	1.55
Fair value (TSR) (£)	0.95
Fair value (Strategic) (£)	2.06

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40. Employee benefits (cont'd)

2021 Standard Chartered Share Plan (the "2021 Plan") and 2011 Standard Chartered Share Plan (the "2011 Plan") (cont'd)

Valuation - deferred shares

The fair value for deferred shares, which are granted to employees who are not categorised as material risk takers, is based on 100 per cent of the face value of the shares at the date of grant as the share price will reflect expectations of all future dividends. For awards granted to material risk takers in 2025, the fair value of awards takes into account the lack of dividend equivalents, calculated by reference to market consensus dividend yield.

Deferred share awards – variable remuneration

Grant date	2025 12 May		2025 14 Mar		2024 17 Jun		2024 11 Mar	
Share price at grant date (£)	11.77		11.77		7.24		6.56	
Share options granted ('000)	32		4,341		66		7,730	
Vesting period	Expected dividend yield (%)	Fair value (£)	Expected dividend yield (%)	Fair value (£)	Expected dividend yield (%)	Fair value (£)	Expected dividend yield (%)	Fair value (£)
2025								
1-3 years	—	—	NA	14.95	3.80	9.17	4.20	8.30
				13.34,				7.19,
			3.3, 3.3,	13.56,			4.20,	7.49,
1-5 years	3.5	13.18	3.3	13.78	3.80	8.05	4.20, N/A	8.30
3-7 years	—	—	3.30	12.71	—	—	4.20	6.49

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40. Employee benefits (cont'd)

2021 Standard Chartered Share Plan (the "2021 Plan") and 2011 Standard Chartered Share Plan (the "2011 Plan") (cont'd)

Deferred share awards – buy-outs

Grant date		2025 17 Nov	2025 24 Sep	2025 14 Mar
Share price at grant date (£)		16.13	14.55	11.58
Share options granted ('000)		39	89	24

Vesting period	Expected dividend yield (%)	Fair Value (£)	Expected dividend yield (%)	Fair Value (£)	Expected dividend yield (%)	Fair Value (£)
2025						
3 months	–	–	2.50	19.44	3.30	15.07
4 months	3.30	21.14	–	–	–	–
6 months	–	–	2.50	19.32	–	–
7 months	–	–	–	–	–	–
9 months	–	–	–	–	–	–
10 months	–	–	–	–	–	–
1 year	3.30	20.46	2.50	18.62, 18.85, 18.97, 19.09	3.30	14.71
2 years	3.30	19.81	2.50	18.17, 18.39, 18.51	3.30	14.24
3 years	–	–	2.50	17.72, 17.94	3.30	13.78
4 years	–	–	–	–	–	–
5 years	–	–	–	–	–	–

Grant date		2024 18 Nov	2024 23 Sep	2024 17 Jun	2024 11 Mar
Share price at grant date (£)		9.43	7.59	7.24	6.56
Share options granted ('000)		17	97	131	261

40. Employee benefits (cont'd)

2021 Standard Chartered Share Plan (the "2021 Plan") and 2011 Standard Chartered Share Plan (the "2011 Plan") (cont'd)

Deferred share awards – buy-outs (cont'd)

Vesting period	Expected dividend yield (%)	Fair Value (£)	Expected dividend yield (%)	Fair Value (£)	Expected dividend yield (%)	Fair Value (£)	Expected dividend yield (%)	Fair Value (£)
2024								
3 months	–	–	–	–	3.80	9.07	4.20	8.22
4 months	4.20	11.80	–	–	–	–	–	–
6 months	–	–	4.20	9.49	–	–	–	–
7 months	–	–	–	–	–	–	–	–
9 months	–	–	–	–	3.80	8.90	4.20	8.06
10 months	–	–	–	–	–	–	–	–
								7.73,
1 year	4.20	11.36	4.20	9.11	–	–	4.20	7.89, 7.97
2 years	4.20	10.90	4.20	8.74	3.80	8.26	4.20	7.65
3 years	–	–	4.20	8.39	–	–	4.20	7.34
4 years	–	–	–	–	–	–	–	–
5 years	–	–	–	–	–	–	–	–

All Employee Sharesave Plans

Sharesave Plans

Under the 2023 Sharesave Plan, employees may open a savings contract and save up to £500 (increased from £250 since 2024) per month over three years to purchase ordinary shares in the Company at a discount of up to 20 per cent (the 'option exercise price'). The discount applies to higher of: the 5-day average share price prior to the invitation or the closing share price on the last trading day prior to the invitation. At the end of the savings contract they have a period of six months to exercise the option. There are no performance measures attached to Sharesave options, and no exercise price is payable to receive an option. In some countries in which the Group operates, it is not possible to operate equity-settled Sharesave, typically due to securities law and regulatory restrictions. In these countries, where possible, the Group offers an equivalent cash-based alternative to its employees.

The remaining life of the 2023 Sharesave Plan during which new awards can be made is eight years.

Valuation – Sharesave:

Options under the Sharesave plans are valued using a binomial option-pricing model. The same fair value is applied to all employees including executive directors.

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40. Employee benefits (cont'd)

The fair value per option granted and the assumptions used in calculation are as follows:

	2025 24 Sep	2024 23 Sep
Share price at grant date (£)	14.55	7.59
Exercise price (£)	11.10	6.10
Share options granted ('000)	388	763
Vesting period (years)	3	3
Expected volatility (%)	31.2	32.9
Expected option life (years)	3.50	3.50
Risk free rate (%)	3.98	3.88
Expected dividend yield (%)	2.50	4.20
Fair value (£)	6.49	2.73

The expected volatility is based on historical volatility over the last three years, or three years prior to grant. The expected life is the average expected period to exercise. The risk-free rate of return is the yield on zero-coupon UK government bonds of a term consistent with the assumed option life. The expected dividend yield is calculated by reference to market consensus dividend yield.

Limits:

An award shall not be granted under the 2021 Plan in any calendar year if, at the time of its proposed grant, it would cause the number of Standard Chartered PLC ordinary shares allocated in the period of 10 calendar years, ending with that calendar year, under the 2021 Plan and under any other discretionary share plan operated by Standard Chartered PLC to exceed such number as represents 5 per cent of the ordinary share capital of Standard Chartered PLC in issue at that time.

An award shall not be granted under the 2021 Plan or 2023 Sharesave Plan in any calendar year if, at the time of its proposed grant, it would cause the number of Standard Chartered PLC ordinary shares which may be issued or transferred pursuant to awards then outstanding under the 2021 Plan or 2023 Sharesave Plan as relevant to exceed such number as represents 10 per cent of the ordinary share capital of Standard Chartered PLC in issue at that time.

The number of Standard Chartered PLC ordinary shares which may be issued pursuant to awards granted under the 2021 or 2023 Plan in any 12-month period must not exceed 1 per cent of the ordinary share capital of Standard Chartered PLC in issue at that time.

Standard Chartered PLC has been granted waivers from strict compliance with Rules 17.03A, 17.03B(1), 17.03E and 17.03(18) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong. Details are set out in the market announcement made on 30 March 2023. In relation to the waiver of strict compliance with Note 1 to 17.03(18), in 2025 no changes to the plan rules have been proposed that fall within scope of disclosure requirements under the terms of the waiver.

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40. Employee benefits (cont'd)

Employee Sharesave Plans (the "2013 Sharesave Plans")

Reconciliation of option movements are as follows:

2025 ('000)	Performance shares	Deferred/ restricted shares	Sharesave	Weighted average exercise price (£)
Outstanding as at 1 January 2025	756	15,744	1,522	5.45
Granted	–	4,525	388	11.10
Additional share granted as notional dividend	–	45	–	–
Lapsed	(23)	(155)	(89)	5.86
Exercised	(59)	(6,564)	(101)	3.82
Outstanding as at 31 December 2025	674	13,595	1,720	6.80
Exercisable as at 31 December 2025	–	9	2	4.23
Range of exercise prices (£)	4.88 /7.78	4.37 /16.13	3.67 /11.10	–
Weighted average contractual remaining life (years)	6.51	8.07	2.11	–
Weighted average share price for options exercised during the period (£)	–	–	6.80	–

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40. Employee benefits (cont'd)

Employee Sharesave Plans (the "2013 Sharesave Plans") (cont'd)

Reconciliation of option movements are as follows (cont'd):

2024 ('000)	Performance shares	Deferred/ restricted shares	Sharesave	Weighted average exercise price (£)
Outstanding as at 1 January 2024	740	13,725	1,099	4.47
Granted	171	8,302	763	6.10
Additional share granted as notional dividend	—	75	—	—
Lapsed	(131)	(166)	(75)	4.63
Exercised	(24)	(6,192)	(265)	3.48
Outstanding as at 31 December 2024	756	15,744	1,522	5.45
Exercisable as at 31 December 2024	—	11	96	3.81
Range of exercise prices (£)	4.88 / 7.78	3.52 / 10.07	3.67 / 6.10	—
Weighted average contractual remaining life (years)	7.34	8.42	2.59	—
Weighted average share price for options exercised during the period (£)	—	—	5.45	—

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41. Related party transactions

In the normal course of its banking business, the Group has undertaken transactions with its intermediate holding company and its branches, and related corporations on terms as agreed between the parties.

Key management remuneration ^(a)

The remuneration of key management personnel of S\$27,247,000 (2024: S\$26,630,000) comprises short term employee benefits of S\$23,545,000 (2024: S\$22,857,000), share based compensation benefits of S\$3,545,000 (2024: S\$3,587,000) and contribution to defined contribution plan of S\$157,000 (2024: S\$186,000).

Included in the above are the remuneration of directors of S\$7,456,000 (2024: S\$7,486,000) comprises short term employee benefits of S\$6,185,000 (2024: S\$6,339,000), share based compensation benefits of S\$1,238,000 (2024: S\$1,114,000) and contribution to defined contribution plan of S\$33,000 (2024: S\$33,000).

Key management personnel also participate in the employee share based payment plans, with the same terms and conditions as described in Note 40.

Details of their participation are summarised as follows:

	Employee Sharesave plan	2021/2011 Standard Chartered share plan
Group and Bank		
Outstanding as at 1 January 2025	—	667,023
Movement due to changes in members of management committee	—	(15,307)
Granted*	—	154,410
Additional shares for rights issue	—	1,210
Exercised	—	(241,850)
Outstanding as at 31 December 2025	—	565,486

	Employee Sharesave plan	2021/2011 Standard Chartered share plan
Group and Bank		
Outstanding as at 1 January 2024	2,211	380,582
Movement due to changes in members of management committee	(2,211)	97,607
Granted*	—	437,752
Additional shares for rights issue	—	1,437
Exercised	—	(250,355)
Outstanding as at 31 December 2024	—	667,023

Standard Chartered Bank (Singapore) Limited and its subsidiaries

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41. Related party transactions (cont'd)

Key management remuneration ^(a) (cont'd)

Total exposure related to key management personnel as at 31 December are as follows:

	2025 S\$'000	2024 S\$'000
Mortgages	3,921	4,653
Secured loans	3,165	1,646
Unsecured loans	208	199

No impairment losses have been recorded during the year against balances outstanding with key management personnel, and as at the reporting date, there is no specific allowance made for impairment losses on balances with key management personnel.

(a) Amounts reported under this section are borne by both the Bank and Standard Chartered Bank, Singapore Branch and do not include one of the directors' remuneration borne by a related corporation due to his employment relationship with the related corporation.

42. Segment information

The Group's segmental reporting is in accordance with SFRS(I) 8 Operating Segments and is reported consistently with the internal performance framework and as presented to the Group's Management Team. The income numbers presented below include internal funds transfer pricing.

Activities not directly related to a client segment are included in Other Banking which mainly include treasury markets, treasury activities and certain strategic investments. Ventures is related to the Group's majority-owned digital bank subsidiary, Trust Bank Singapore Limited.

	Group	
	2025 S\$'000	2024 S\$'000
Corporate & Investment Banking ¹	2,180,103	2,166,491
Wealth & Retail Banking ¹	2,872,438	2,658,968
Other banking ¹	43,975	32,702
Ventures	134,904	96,772
Income by segment	5,231,420	4,954,933
Total operating expenses	(3,221,601)	(3,112,284)
Impairment losses	(208,992)	(216,471)
Profit from associates	3,550	5,753
Profit before income tax	1,804,377	1,631,931

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42. Segment information (cont'd)

	Group				Total
	Corporate & Investment Banking¹ S\$'000	Wealth & Retail Banking¹ S\$'000	Other banking¹ S\$'000	Ventures S\$'000	S\$'000
2025					
Net interest income	250,474	1,457,794	(535,160)	102,978	1,276,086
Net fee and commission income/(expense) ²	315,329	1,097,877	212	29,586	1,443,004
Other income	1,614,300	316,767	578,923	2,340	2,512,330
Operating income	2,180,103	2,872,438	43,975	134,904	5,231,420
2024					
Net interest income	409,532	1,498,606	(259,101)	71,173	1,720,210
Net fee and commission income/(expense) ²	264,590	882,096	(1,118)	21,204	1,166,772
Other income ¹	1,492,369	278,266	292,921	4,395	2,067,951
Operating income	2,166,491	2,658,968	32,702	96,772	4,954,933

¹ Segment results have been re-presented in line with the RNS on Re-Presentation of Financial Information issued on 2 April 2025 by Standard Chartered PLC.

² Inclusive of income arising from a major customer of S\$389,007,000 (2024: S\$359,113,000) in Wealth & Retail Banking operating segment.

43. Risk management

The Enterprise Risk Management Framework (“ERMF”) enables Standard Chartered PLC (including its branches and subsidiaries) (“SC Group”) to manage enterprise-wide risks, with the objective of maximising risk-adjusted returns while remaining within our Risk Appetite (“RA”). The ERMF is complemented by frameworks, policies and standards which are mainly aligned to the Principal Risk Types (“PRTs”) and is embedded across the SC Group. It is reviewed and approved by the SC Group Board annually, with the latest version being effective from August 2025.

PRTs are those risks that are inherent in our strategy and business model and have been formally defined in the SC Group’s ERMF. They are namely, Credit Risk, Traded Risk, Treasury Risk, Operational and Technology Risk, Financial Crime Risk, Compliance Risk, Information and Cyber Security Risk, Environmental, Social and Governance and Reputational Risk and Model Risk.

Each of the PRTs and its associated RA Statements has its own Risk Type Framework (“RTF”) which is supported by Policies & Standards.

The Singapore Local Addendums to the ERMF and RTFs are approved by SCBSL Hub Board, Singapore and ASEAN Risk Committee (“SGARC”), Asset and Liability Committee (“ALCO”) and Regional Asset and Liability Committee (“RALCO”) respectively.

Risk governance

The SCBSL Hub Board Risk Committee (“Hub BRC”) is responsible for overseeing the governance of risk and approving risk appetite within the SCBSL Group. The Committee has delegated executive responsibility to the Hub Executive Committee (“Hub EXCO”) for the day-to-day management of risk and to maintain a sound system of risk management and internal control.

The Hub EXCO delegates authority for the management of certain risks to the SGARC and the RALCO while the management of risk associated with the Bank’s strategy remains directly with the Hub EXCO. This governance structure ensures that risk taking authority and risk management policies and procedures are cascaded down from the Board through to the appropriate committees.

The SGARC is responsible for the effective management of risk (excluding Treasury risks) in support of the strategy; including defining the overall ERMF which sets out the principles and standards for risk management. The ERMF and the risk appetite are approved and overseen by the SCBSL Hub Board.

The primary responsibility of RALCO is the management of Treasury risks and maintaining a strong balance sheet to support business objectives and comply with the Group’s policies and regulatory requirements.

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43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk

This section should be read in conjunction with the impairment policies (Note 2.10) within the material accounting policy information.

Credit risk is managed through a framework that sets out policies and procedures covering the measurement and management of credit risk. There is a segregation of duties between transaction originators in the businesses and approvers within the Risk function. Credit exposure limits are approved within a defined credit approval authority framework.

Policies and procedures are established by the SGARC. These are consistent with the Group-wide credit policies, yet it was adopted by the Bank as its own to reflect the country-specific risk environment and portfolio characteristics of the Bank.

The Bank uses an internal risk mapping to determine the credit quality for loans. All loans are assigned a credit grade ("CG"), which is reviewed periodically and amended in light of changes in the borrower's circumstances or behaviour. CGs 1 to 12 are assigned to stage 1 and stage 2 (performing) loan accounts, while CGs 13 and 14 are assigned to stage 3 (non-performing or defaulted) loan.

The mapping of credit classification and credit quality is as follows.

Credit quality description	Corporate & Investment Banking Internal grade mapping	PD range (%)	Private Banking ¹	Wealth & Retail Banking Number of days past due
Strong	Grades 1A-5B	0% to 0.425%	Class I and Class IV	No past dues nor impaired
Satisfactory	Grades 6A-11C	0.426% to 15.75%	Class II and Class III	Past due till 29 days
Higher Risk	Grades 12	15.751% to 99.999%	Stressed Assets Group (SAG) managed	Past due 30 days and over till 90 days

¹ For Private Banking, classes of risk represent the type of collateral held. Class I represents facilities with liquid collateral, such as cash and marketable securities. Class II represents unsecured/partially secured facilities and those with illiquid collateral, such as equity in private enterprises. Class III represents facilities with residential or commercial real estate collateral. Class IV covers margin trading facilities.

43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Credit monitoring

The Bank regularly monitors credit exposures, portfolio performance, external trends, and emerging risk that may impact risk management outcomes. Internal risk management reports are presented to the risk committees contain information on key political and economic trends across major portfolios and countries, portfolio delinquency and loan impairment performance.

Borrowers are placed on early alert when they display signs of actual or potential weakness. Such accounts are subjected to a dedicated credit monitoring process overseen by the Credit Issues Committee. Portfolio delinquency trends are monitored continuously at a detailed level. Individual customer behaviour is also tracked and is considered for lending decisions.

Credit concentration risk

Credit concentration risk may arise from large exposure to a single counterparty, or from multiple exposures across the portfolio that are closely correlated. Large exposure concentration risk is managed against regulatory limit set at 25% of Tier 1 capital. At the portfolio level, credit concentration thresholds are set and monitored to control concentrations, where appropriate, by customer segment, industry, product, tenor, credit grade and collateral type.

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Notes to the financial statements
For the financial year ended 31 December 2025

43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Credit concentration risk (cont'd)

The following table shows the concentration of credit risk by industry and the associated maximum exposure to credit risk (excluding credit impairment):

	Group					Bank				
	Bills receivable S\$'000	Loans and advances to customers S\$'000	Debt securities S\$'000	Contingent liabilities S\$'000	Commitments S\$'000	Bills receivable S\$'000	Loans and advances to customers S\$'000	Debt securities S\$'000	Contingent liabilities S\$'000	Commitments S\$'000
2025										
Industry										
Manufacturing	792,449	7,313,630	28,984	2,708,978	3,076,630	338,903	5,455,449	21,817	2,016,975	2,879,741
Building and construction	2,736	2,479,234	79,110	570,431	1,041,364	2,736	1,870,065	32,658	252,924	592,618
Housing	—	24,227,532	—	—	1,207,972	—	18,783,859	—	—	1,088,336
General commerce	5,211,010	5,074,228	24,576	4,593,095	1,305,702	4,941,758	3,707,600	16,185	3,982,230	1,141,058
Transport, storage and										
communications	48,138	3,616,655	109,881	581,942	1,884,327	—	3,119,697	96,448	379,131	1,775,378
Financial institutions	2,315,390	5,506,095	4,561,576	2,373,146	11,626,672	2,271,447	4,908,611	4,555,264	2,126,145	11,567,498
Professional and private individuals										
(except housing loans)	—	27,496,378	—	40,076	38,460,059	—	23,463,813	—	40,076	27,524,946
Others	518,391	8,852,267	1,943,192	1,323,356	5,268,071	11,340	8,386,444	1,766,442	830,143	5,132,480
	8,888,114	84,566,019	6,747,319	12,191,024	63,870,797	7,566,184	69,695,538	6,488,814	9,627,624	51,702,055

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Notes to the financial statements
For the financial year ended 31 December 2025

43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Credit concentration risk (cont'd)

2024	Industry	Group						Bank			
		Bills receivable S\$'000	Loans and advances to customers S\$'000	Debt securities S\$'000	Contingent liabilities S\$'000	Commitments S\$'000	Bills receivable S\$'000	Loans and advances to customers S\$'000	Debt securities S\$'000	Contingent liabilities S\$'000	Commitments S\$'000
	Manufacturing	522,507	6,738,439	17,288	2,612,812	2,654,160	177,912	4,871,512	8,184	1,856,102	2,490,139
	Building and construction	69,655	2,779,446	203,000	616,878	1,080,469	64,819	2,010,277	179,639	279,873	661,700
	Housing	—	22,046,619	—	—	1,067,110	—	16,875,803	—	—	953,066
	General commerce	7,301,273	4,438,223	145,110	5,022,180	1,616,352	7,034,858	3,176,425	23,774	4,444,104	1,487,246
	Transport, storage and communications	79,705	3,391,477	67,101	424,035	1,524,762	—	3,099,024	66,043	281,874	1,482,915
	Financial institutions	1,633,481	5,672,566	4,619,338	2,075,015	9,939,346	1,608,104	4,921,962	4,721,651	1,697,595	10,295,517
	Professional and private individuals (except housing loans)	—	23,360,819	—	64,911	38,140,144	—	19,388,636	—	64,911	27,459,113
	Others	617,601	6,750,584	1,747,427	1,031,903	4,344,937	146,613	6,302,973	1,535,629	489,114	4,135,026
		10,224,222	75,178,173	6,799,264	11,847,734	60,367,280	9,032,306	60,646,612	6,534,920	9,113,573	48,964,722

43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

The credit exposures of the Bank's other significant balances are as follows:

Industry	Assets
Central governments and central banks	Cash and balances with central bank Singapore government securities and treasury bills Other government securities and treasury bills
Financial institutions	Loans and advances to banks Amounts due from intermediate holding company, its branches and related corporations

Impairment

The SCBSL Group primarily uses models that utilise the probability of default ("PD"), loss given default ("LGD") and exposure at default ("EAD") metrics, discounted using the effective interest rate in determining expected credit losses ("ECL").

Forward-looking economic assumptions are incorporated into the PD, LGD and EAD where relevant and where they influence credit risk, such as GDP growth rates, interest rates, house price indices and commodity prices among others. These assumptions are incorporated using SC Group's most likely forecast for a range of macroeconomic assumptions. These forecasts are determined using all reasonable and supportable information, which includes both internally developed forecasts and those available externally, and are consistent with those used for budgeting, forecasting and capital planning.

To account for the potential non-linearity in credit losses, multiple forward-looking scenarios are incorporated into the range of reasonably possible outcomes for all material portfolios. These scenarios are determined using a Monte Carlo approach centred around the most likely forecast of macroeconomic assumptions.

The period over which cash shortfalls are determined is generally limited to the maximum contractual period for which the SCBSL Group is exposed to credit risk. However, for certain revolving credit facilities, which include credit cards or overdrafts, the SCBSL Group's exposure to credit risk is not limited to the contractual period. For these instruments, SCBSL Group estimates an appropriate life based on the period that SCBSL Group is exposed to credit risk, which includes the effect of credit risk management actions such as the withdrawal of undrawn facilities.

For credit-impaired financial instruments, the estimate of cash shortfalls may require the use of expert credit judgement. As a practical expedient, SCBSL Group may also measure credit impairment on the basis of an instrument's fair value using an observable market price.

43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Impairment (cont'd)

Significant increase in credit risk ("SICR")

The SC Group uses a number of qualitative and quantitative measures in assessing significant increase in credit risk. Quantitative measures relate to the relative and absolute changes in the lifetime PD compared to those expected at initial recognition. Qualitative factors include placement of loans on non-purely precautionary early alert, classification as higher risk (CG12) or 30 days or more past due.

Financial assets that are credit impaired (or in default) represent those that are at least 90 days past due in respect of principal and/or interest. Financial assets are also considered to be credit impaired where the obligors are unlikely to pay on the occurrence of one or more observable events that have a detrimental impact on the estimated future cash flows of the financial asset. It may not be possible to identify a single discrete event but instead the combined effect of several events may cause financial assets to become credit-impaired.

Evidence that a financial asset is credit impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or borrower;
- Breach of contract such as default or a past due event;
- For economic or contractual reasons related to the borrower's financial difficulty, the lenders of the borrowers have granted the borrower concessions that lenders would not otherwise consider. This would include forbearance actions;
- Pending or actual bankruptcy or other financial reorganisation to avoid or delay discharge of borrower's obligation; and
- Disappearance of an active market for the applicable financial asset due to financial difficulties of the borrower.
- Purchase or origination of a financial asset at a deep discount that reflects incurred credit losses.

Credit-impaired accounts are managed by the Group's specialist recovery unit, Stressed Assets Group ("SAG") which forms part of first line of defence. The Stressed Assets Risk ("SAR") team performs as the second line of defence for credit-impaired accounts. Where any amount is considered irrecoverable, a stage 3 expected credit loss allowance is raised. This stage 3 expected credit loss allowance is the difference between the loan carrying amount and the probability weighted present value of estimated future cash flows, reflecting a range of scenarios (typically the best, worst and most likely recovery outcomes). Where the cash flows include realisable collateral, the values used will incorporate the impact of forward looking economic information.

Irrevocable lending commitments to a credit impaired obligor that have not yet been drawn down are also included within the Stage 3 credit impairment to the extent that the commitment cannot be withdrawn.

43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Impairment (cont'd)

Significant increase in credit risk ("SICR") (cont'd)

A period may elapse from the point at which instruments enter lifetime expected credit losses (Stage 2 or 3) and are reclassified back to 12 months expected credit losses (Stage 1). For financial assets that are credit impaired (Stage 3), a transfer to Stage 2 or Stage 1 is only permitted where the instrument is no longer considered to be credit-impaired. An instrument will no longer be considered credit-impaired when there is no shortfall of cash flows compared to the original contractual terms.

For financial assets within Stage 2, these can only be transferred to Stage 1 when they are no longer considered to have experienced a SICR.

Where significant increase in credit risk was determined using quantitative measures, the instruments will automatically transfer back to Stage 1 when the original PD based transfer criteria are no longer met. Where instruments were transferred to Stage 2 due to an assessment of qualitative factors, the issues that led to the reclassification must be cured before the instruments can be reclassified to Stage 1. This includes instances where management actions led to instruments being classified as Stage 2, requiring that action to be resolved before loans are reclassified to Stage 1.

In order to determine whether an instrument is subject to 12 month ECL or long term ECL, the Bank assesses whether there has been a SICR since initial recognition. SICR is recognised based on the change in the risk of default between initial recognition and reporting date.

For financial assets which are not individually significant, such as the Retail Banking portfolio or small business loans, which comprise a large number of homogenous loans that share similar characteristics, statistical estimates and techniques are used, as well as credit scoring analysis.

Wealth, Retail and Business Banking clients are considered credit impaired where they are more than 90 days past due or if the borrower files for bankruptcy or other forbearance programme, the borrower is deceased or the business is closed in the case of a small business, or if the borrower surrenders the collateral, or there is an identified fraud on the account. Additionally, if the account is unsecured and the borrower has other credit accounts with the SC Group that are considered credit impaired, the account may also be credit impaired. Techniques used to compute impairment amounts use models which analyse historical repayment and default rates over a time horizon. Where various models are used, judgement is required to analyse the available information provided and select the appropriate model or combination of models to use.

43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Impairment (cont'd)

Significant increase in credit risk ("SICR") (cont'd)

Under the MAS Notice 612 requirement, the Bank is required to maintain a minimum regulatory loss allowance ("MRLA") of 1% of the gross carrying amount of selected credit exposures, net of collaterals. Where the accounting loss allowance computed under SFRS(I) 9 is less than the MRLA, the Bank shall maintain the difference in a non-distributable regulatory loss allowance reserve ("RLAR") account through the appropriation of retained earnings to meet the minimum 1% amount. Where the aggregated accounting loss allowance and RLAR exceeds the MRLA, the Bank may transfer to excess amount in the RLAR to retained earnings.

The total amount of the Bank's expected credit loss allowance is inherently uncertain, being sensitive to changes in economic and credit conditions. It is possible that actual events over the next year differ from the assumptions built into our model, resulting in material adjustments to the carrying amount of loans and advances.

In certain circumstances, the Bank may renegotiate a drawdown loan. Loans that are renegotiated primarily to grant extended tenor to a borrower who is facing some difficulties but who the Bank does not believe is impaired are reported as 'Other forbore loans'. Loans that are renegotiated on terms that are not consistent with those readily available in the market and/or where have been granted a concession compared to the original terms of the loans, are considered to be subject to forbearance strategies and are disclosed as 'Loans subject to forbearance', which is a subset of impaired loans.

Post model adjustments

Where a model's performance breaches the monitoring thresholds or validation standards, SCBSL Group may perform an assessment to determine whether a Post Model Adjustment ("PMA") is required to correct the identified model issue. PMAs will be removed when the models are updated to correct for the identified model issue or the estimates return to being within the monitoring thresholds.

PMAs are calculated by the Model development teams, validated by the SC Group Model Validation ("GMV") team and approved by senior management.

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43. Risk management (cont'd)

Risk governance (cont'd)

(a) *Credit risk (cont'd)*

Financial assets - credit quality

Assets classified as past due refer to assets that are overdue by one day or more. Impaired assets are assets with specific allowances made. The balances analysed do not include those held at fair value through profit or loss.

	Group				Bank			
	Bills receivable S\$'000	Loans and advances to customers ^(a) S\$'000	Loans and advances to banks S\$'000	Debt securities S\$'000	Bills receivable S\$'000	Loans and advances to customers S\$'000	Loans and advances to banks S\$'000	Debt securities S\$'000
2025								
<i>Gross amount</i>								
Stage 1	8,756,436	77,348,881	10,849,824	4,550,489	7,441,209	63,485,682	6,868,721	4,340,412
Stage 2	84,954	3,114,512	1,540	32,156	78,474	2,623,032	1,540	32,156
Stage 3	46,724	902,011	359	23,226	46,501	386,209	359	—
	8,888,114	81,365,404	10,851,723	4,605,871	7,566,184	66,494,923	6,870,620	4,372,568
<i>Stage 1 and 2, of which</i>								
Less than 30 days past due	—	1,009,534	544	—	—	306,376	—	—
More than 30 days past due	3,746	205,799	—	—	3,746	35,847	—	—
<i>Total expected credit loss allowance</i>								
Stage 1	(581)	(168,003)	(1,472)	(358)	(473)	(89,696)	(1,302)	(304)
Stage 2	(31)	(57,518)	(180)	(286)	(25)	(38,677)	(180)	(286)
Stage 3	(43,013)	(494,109)	(359)	(391)	(43,013)	(275,803)	(359)	—
	(43,625)	(719,630)	(2,011)	(1,035)	(43,511)	(404,176)	(1,841)	(590)
<i>Stage 1 and 2, of which</i>								
Less than 30 days past due	—	(54,146)	—	—	—	(32,727)	—	—
More than 30 days past due	(400)	(26,186)	—	—	(400)	(8,367)	—	—
<i>Carrying amount (net)</i>	8,844,489	80,645,774	10,849,712	4,604,836	7,522,673	66,090,747	6,868,779	4,371,978

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43. Risk management (cont'd)

Risk governance (cont'd)

(a) *Credit risk (cont'd)*

Financial assets - credit quality (cont'd)

	Group				Bank			
	Bills receivable S\$'000	Loans and advances to customers ^(a) S\$'000	Loans and advances to banks S\$'000	Debt securities S\$'000	Bills receivable S\$'000	Loans and advances to customers S\$'000	Loans and advances to banks S\$'000	Debt securities S\$'000
2024								
<i>Gross amount</i>								
Stage 1	10,103,835	69,241,758	7,153,111	4,036,558	8,929,788	55,916,483	4,874,007	3,851,469
Stage 2	9,118	3,581,379	—	—	7,019	3,131,378	—	—
Stage 3	111,269	917,950	335	23,361	95,499	391,263	335	—
	10,224,222	73,741,087	7,153,446	4,059,919	9,032,306	59,439,124	4,874,342	3,851,469
<i>Stage 1 and 2, of which</i>								
Less than 30 days past due	98,696	2,372,381	151	—	40,006	308,833	—	—
More than 30 days past due	3,187	106,386	—	—	3,187	46,468	—	—
<i>Total expected credit loss allowance</i>								
Stage 1	(770)	(147,516)	(1,932)	(399)	(311)	(72,825)	(1,273)	(364)
Stage 2	(24)	(69,606)	—	—	(7)	(44,758)	—	—
Stage 3	(44,740)	(543,404)	(335)	(375)	(43,851)	(322,121)	(335)	—
	(45,534)	(760,526)	(2,267)	(774)	(44,169)	(439,704)	(1,608)	(364)
<i>Stage 1 and 2, of which</i>								
Less than 30 days past due	(2,834)	(63,055)	(13)	—	(2,786)	(21,508)	—	—
More than 30 days past due	(519)	(18,072)	—	—	(519)	(7,567)	—	—
Carrying amount (net)	10,178,688	72,980,561	7,151,179	4,059,145	8,988,137	58,999,420	4,872,734	3,851,105

(a) Stage 3 gross amount includes S\$35,157,000 originated credit-impaired loans in 2024, nil in 2025.

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43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Financial assets - credit quality (cont'd)

	Group				Bank	
	Bills receivable S\$'000	Loans and advances to customers ^(a) S\$'000	Loans and advances to banks S\$'000	Bills receivable S\$'000	Loans and advances to customers S\$'000	Loans and advances to banks S\$'000
2025						
<i>Stage 1</i>						
Corporate & Investment Banking	8,531,809	26,628,517	10,849,824	7,230,310	21,725,127	6,868,721
Wealth & Retail Banking	224,627	49,560,249	—	210,899	41,760,555	—
Ventures	—	1,160,115	—	—	—	—
	8,756,436	77,348,881	10,849,824	7,441,209	63,485,682	6,868,721
Expected credit loss allowance	(581)	(168,003)	(1,472)	(473)	(89,696)	(1,302)
Carrying amount	8,755,855	77,180,878	10,848,352	7,440,736	63,395,986	6,867,419
<i>Stage 2</i>						
Corporate & Investment Banking	65,472	2,105,344	1,540	62,787	1,980,157	1,540
Wealth & Retail Banking	19,482	1,002,465	—	15,687	642,875	—
Ventures	—	6,703	—	—	—	—
	84,954	3,114,512	1,540	78,474	2,623,032	1,540
Expected credit loss allowance	(31)	(57,518)	(180)	(25)	(38,677)	(180)
Carrying amount	84,923	3,056,994	1,360	78,449	2,584,355	1,360
<i>Stage 3</i>						
Corporate & Investment Banking	3,236	309,636	359	3,013	259,460	359
Wealth & Retail Banking	43,488	576,247	—	43,488	126,749	—
Ventures	—	16,128	—	—	—	—
	46,724	902,011	359	46,501	386,209	359
Expected credit loss allowance	(43,013)	(494,109)	(359)	(43,013)	(275,803)	(359)
Carrying amount	3,711	407,902	—	3,488	110,406	—

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43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Financial assets - credit quality (cont'd)

	Group			Bank		
	Bills receivable S\$'000	Loans and advances to customers ^(a) S\$'000	Loans and advances to banks S\$'000	Bills receivable S\$'000	Loans and advances to customers S\$'000	Loans and advances to banks S\$'000
2024						
<i>Stage 1</i>						
Corporate & Investment Banking	9,822,837	24,850,371	7,153,111	8,697,501	20,259,841	4,874,007
Wealth & Retail Banking	280,998	43,598,731	—	232,287	35,656,642	—
Ventures	—	792,656	—	—	—	—
	10,103,835	69,241,758	7,153,111	8,929,788	55,916,483	4,874,007
Expected credit loss allowance	(770)	(147,516)	(1,932)	(311)	(72,825)	(1,273)
Carrying amount	10,103,065	69,094,242	7,151,179	8,929,477	55,843,658	4,872,734
<i>Stage 2</i>						
Corporate & Investment Banking	7,034	2,606,009	—	6,870	2,438,243	—
Wealth & Retail Banking	2,084	968,809	—	149	693,135	—
Ventures	—	6,561	—	—	—	—
	9,118	3,581,379	—	7,019	3,131,378	—
Expected credit loss allowance	(24)	(69,606)	—	(7)	(44,758)	—
Carrying amount	9,094	3,511,773	—	7,012	3,086,620	—
<i>Stage 3</i>						
Corporate & Investment Banking	65,868	440,914	335	51,422	266,821	335
Wealth & Retail Banking	45,401	467,657	—	44,077	124,442	—
Ventures	—	9,379	—	—	—	—
	111,269	917,950	335	95,499	391,263	335
Expected credit loss allowance	(44,740)	(543,404)	(335)	(43,851)	(322,121)	(335)
Carrying amount	66,529	374,546	—	51,648	69,142	—

(a) Stage 3 gross amount includes S\$35,157,000 originated credit-impaired loans in 2024, nil in 2025.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2025

43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Financial assets - credit quality (cont'd)

Group	Bills receivable		Loans and advances to customers ^(a)			Loans and advances to banks
	Corporate & Investment Banking S\$'000	Wealth & Retail Banking S\$'000	Corporate & Investment Banking S\$'000	Wealth & Retail Banking S\$'000	Ventures S\$'000	Corporate & Investment Banking S\$'000
2025						
<i>12 months ECL (Stage 1)</i>						
Grades 1 to 5	5,458,847	—	18,309,008	—	—	6,839,072
Grades 6 to 8	2,032,333	—	6,458,544	—	—	3,959,296
Grades 9 to 11	1,040,629	—	1,860,965	—	—	51,456
Grades 12	—	—	—	—	—	—
Private banking	—	—	—	9,526,805	—	—
Neither past due nor impaired	—	224,627	—	39,033,909	1,151,787	—
Past due but not impaired	—	—	—	999,535	8,328	—
	8,531,809	224,627	26,628,517	49,560,249	1,160,115	10,849,824
Expected credit loss allowance	(472)	(109)	(18,469)	(120,304)	(29,230)	(1,472)
Carrying amount	8,531,337	224,518	26,610,048	49,439,945	1,130,885	10,848,352
<i>Lifetime ECL - not credit impaired (Stage 2)</i>						
Grades 1 to 5	6,787	—	874,653	—	—	1,540
Grades 6 to 8	—	—	497,041	—	—	—
Grades 9 to 11	57,975	—	700,349	—	—	—
Grades 12	710	—	33,301	—	—	—
Private banking	—	—	—	241,254	—	—
Neither past due nor impaired	—	19,482	—	425,642	—	—
Past due but not impaired	—	—	—	335,569	6,703	—
	65,472	19,482	2,105,344	1,002,465	6,703	1,540
Expected credit loss allowance	(15)	(16)	(19,308)	(36,069)	(2,141)	(180)
Carrying amount	65,457	19,466	2,086,036	966,396	4,562	1,360
<i>Lifetime ECL - credit impaired (Stage 3)</i>						
Grades 13 to 14	3,236	—	309,636	—	—	359
Private banking	—	—	—	13,803	—	—
Past due and credit impaired	—	43,488	—	562,444	16,128	—
	3,236	43,488	309,636	576,247	16,128	359
Expected credit loss allowance	(3,013)	(40,000)	(264,772)	(222,147)	(7,190)	(359)
Carrying amount	223	3,488	44,864	354,100	8,938	—
Of the above, forborne - credit impaired	—	—	4,910	259,069	—	—

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2025

43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Financial assets - credit quality (cont'd)

Group	Bills receivable		Loans and advances to customers ^(a)			Loans and advances to banks
	Corporate & Investment Banking S\$'000	Wealth & Retail Banking S\$'000	Corporate & Investment Banking S\$'000	Wealth & Retail Banking S\$'000	Ventures S\$'000	Corporate & Investment Banking S\$'000
2024						
<i>12 months ECL (Stage 1)</i>						
Grades 1 to 5	6,960,463	—	17,195,432	—	—	3,939,032
Grades 6 to 8	2,480,126	—	6,213,091	—	—	3,214,079
Grades 9 to 11	382,248	—	1,441,848	—	—	—
Grades 12	—	—	—	—	—	—
Private banking	—	—	—	7,163,593	—	—
Neither past due nor impaired	—	268,777	—	34,468,166	782,049	—
Past due but not impaired	—	12,221	—	1,966,972	10,607	—
	9,822,837	280,998	24,850,371	43,598,731	792,656	7,153,111
Expected credit loss allowance	(346)	(424)	(14,201)	(118,628)	(14,687)	(1,932)
Carrying amount	9,822,491	280,574	24,836,170	43,480,103	777,969	7,151,179
<i>Lifetime ECL - not credit impaired (Stage 2)</i>						
Grades 1 to 5	3,351	—	693,292	—	—	—
Grades 6 to 8	—	—	1,181,039	—	—	—
Grades 9 to 11	3,683	—	690,820	—	—	—
Grades 12	—	—	40,858	—	—	—
Private banking	—	—	—	325,075	—	—
Neither past due nor impaired	—	2,084	—	370,227	—	—
Past due but not impaired	—	—	—	273,507	6,561	—
	7,034	2,084	2,606,009	968,809	6,561	—
Expected credit loss allowance	(24)	—	(28,100)	(36,312)	(5,194)	—
Carrying amount	7,010	2,084	2,577,909	932,497	1,367	—
<i>Lifetime ECL - credit impaired (Stage 3)</i>						
Grades 13 to 14	65,868	—	440,914	—	—	335
Private banking	—	—	—	13,864	—	—
Past due and credit impaired	—	45,401	—	453,793	9,379	—
	65,868	45,401	440,914	467,657	9,379	335
Expected credit loss allowance	(2,231)	(42,509)	(352,357)	(181,668)	(9,379)	(335)
Carrying amount	63,637	2,892	88,557	285,989	—	—
Of the above, forborne - credit impaired	—	—	60,458	203,865	—	—

(a) Stage 3 gross amount includes S\$35,157,000 originated credit-impaired loans in 2024, nil in 2025.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2025

43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Financial assets - credit quality (cont'd)

Bank	Bills receivable		Loans and advances to customers		Loans and advances to banks
	Corporate & Investment Banking S\$'000	Wealth & Retail Banking S\$'000	Corporate & Investment Banking S\$'000	Wealth & Retail Banking S\$'000	Corporate & Investment Banking S\$'000
2025					
<i>12 months ECL (Stage 1)</i>					
Grades 1 to 5	4,425,192	–	15,205,557	–	3,022,736
Grades 6 to 8	1,792,353	–	4,847,967	–	3,845,985
Grades 9 to 11	1,012,765	–	1,671,603	–	–
Grades 12	–	–	–	–	–
Private banking	–	–	–	9,526,805	–
Neither past due nor impaired	–	210,899	–	32,176,262	–
Past due but not impaired	–	–	–	57,488	–
	7,230,310	210,899	21,725,127	41,760,555	6,868,721
Expected credit loss allowance	(371)	(102)	(15,731)	(73,965)	(1,302)
Carrying amount	7,229,939	210,797	21,709,396	41,686,590	6,867,419
<i>Lifetime ECL - not credit impaired (Stage 2)</i>					
Grades 1 to 5	6,787	–	832,148	–	1,540
Grades 6 to 8	–	–	464,469	–	–
Grades 9 to 11	56,000	–	651,591	–	–
Grades 12	–	–	31,949	–	–
Private banking	–	–	–	241,254	–
Neither past due nor impaired	–	15,687	–	267,671	–
Past due but not impaired	–	–	–	133,950	–
	62,787	15,687	1,980,157	642,875	1,540
Expected credit loss allowance	(12)	(13)	(17,748)	(20,929)	(180)
Carrying amount	62,775	15,674	1,962,409	621,946	1,360
<i>Lifetime ECL - credit impaired (Stage 3)</i>					
Grades 13 to 14	3,013	–	259,460	–	359
Private banking	–	–	–	13,803	–
Past due and credit impaired	–	43,488	–	112,946	–
	3,013	43,488	259,460	126,749	359
Expected credit loss allowance	(3,013)	(40,000)	(215,414)	(60,389)	(359)
Carrying amount	–	3,488	44,046	66,360	–
Of the above, forborne - credit impaired	–	–	3,168	–	–

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Notes to the financial statements
For the financial year ended 31 December 2025

43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Financial assets - credit quality (cont'd)

Bank	Bills receivable		Loans and advances to customers		Loans and advances to banks
	Corporate & Investment Banking S\$'000	Wealth & Retail Banking S\$'000	Corporate & Investment Banking S\$'000	Wealth & Retail Banking S\$'000	Corporate & Investment Banking S\$'000
2024					
<i>12 months ECL (Stage 1)</i>					
Grades 1 to 5	6,196,991	—	14,617,450	—	1,897,022
Grades 6 to 8	2,201,370	—	4,574,292	—	2,976,985
Grades 9 to 11	299,140	—	1,068,099	—	—
Grades 12	—	—	—	—	—
Private banking	—	—	—	7,163,593	—
Neither past due nor impaired	—	220,140	—	28,434,138	—
Past due but not impaired	—	12,147	—	58,911	—
	8,697,501	232,287	20,259,841	35,656,642	4,874,007
Expected credit loss allowance	(293)	(18)	(12,491)	(60,334)	(1,273)
Carrying amount	8,697,208	232,269	20,247,350	35,596,308	4,872,734
<i>Lifetime ECL - not credit impaired (Stage 2)</i>					
Grades 1 to 5	3,187	—	677,403	—	—
Grades 6 to 8	—	—	1,116,468	—	—
Grades 9 to 11	3,683	—	604,829	—	—
Grades 12	—	—	39,543	—	—
Private banking	—	—	—	325,075	—
Neither past due nor impaired	—	149	—	268,028	—
Past due but not impaired	—	—	—	100,032	—
	6,870	149	2,438,243	693,135	—
Expected credit loss allowance	(7)	—	(25,809)	(18,949)	—
Carrying amount	6,863	149	2,412,434	674,186	—
<i>Lifetime ECL - credit impaired (Stage 3)</i>					
Grades 13 to 14	51,422	—	266,821	—	335
Private banking	—	—	—	13,864	—
Past due and credit impaired	—	44,077	—	110,578	—
	51,422	44,077	266,821	124,442	335
Expected credit loss allowance	(1,437)	(42,414)	(258,468)	(63,653)	(335)
Carrying amount	49,985	1,663	8,353	60,789	—
Of the above, forborne - credit impaired	—	—	2,425	—	—

Standard Chartered Bank (Singapore) Limited and its subsidiaries

**Notes to the financial statements
For the financial year ended 31 December 2025**

43. Risk management (cont'd)

Risk governance (cont'd)

(a) *Credit risk (cont'd)*

Financial assets - credit quality (cont'd)

The Bank uses standard credit ratings to determine the credit quality of debt securities. Those utilised are published by Standard & Poor's or an equivalent external rating agency. For securities that are unrated, the Bank applies an internal credit rating.

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
AAA	4,170,214	3,682,645	4,170,214	3,682,645
AA- to AA+	129,651	135,939	—	—
A- to A+	28,709	92,364	28,709	—
BBB- to BBB+	32,156	—	32,156	—
Lower than BBB-	—	—	—	—
Unrated	245,141	148,971	141,489	168,824
	4,605,871	4,059,919	4,372,568	3,851,469
Expected credit loss allowance	(1,035)	(774)	(590)	(364)
Carrying amount	4,604,836	4,059,145	4,371,978	3,851,105

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Notes to the financial statements
For the financial year ended 31 December 2025

43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Financial assets - credit quality (cont'd)

Group	Loan commitments			Financial guarantees		
	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000
2025						
Grades 1 to 5	11,412,996	187,984	—	9,186,010	128,457	—
Grades 6 to 8	2,257,666	303,589	—	2,008,414	114,843	—
Grades 9 to 11	683,551	59,745	—	191,484	41,267	—
Grades 12	—	5,627	—	—	1,419	—
Grades 13 to 14	—	—	—	—	—	23,433
Private banking	26,480,718	—	—	308,631	—	—
Retail banking	21,851,714	625,007	2,200	177,213	9,853	—
	62,686,645	1,181,952	2,200	11,871,752	295,839	23,433
Expected credit loss allowance	(10,844)	(3,203)	—	(2,903)	(1,069)	(8,131)
Group	Loan commitments			Financial guarantees		
	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000
2024						
Grades 1 to 5	11,345,288	376,295	—	8,570,855	65,929	—
Grades 6 to 8	1,221,525	137,992	—	2,195,688	95,576	—
Grades 9 to 11	313,093	14,089	—	295,103	49,135	—
Grades 12	—	486	—	—	240	—
Grades 13 to 14	—	—	—	—	—	103,852
Private banking	23,708,998	—	—	275,101	—	—
Retail banking	23,218,939	26,999	3,576	195,722	533	—
	59,807,843	555,861	3,576	11,532,469	211,413	103,852
Expected credit loss allowance	(10,659)	(12,649)	(49)	(2,034)	(574)	(17,493)

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Notes to the financial statements
For the financial year ended 31 December 2025

43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Financial assets - credit quality (cont'd)

Bank	Loan commitments			Financial guarantees		
	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000
2025						
Grades 1 to 5	11,081,449	185,302	–	7,689,129	69,429	–
Grades 6 to 8	1,939,954	107,226	–	1,165,689	96,988	–
Grades 9 to 11	667,228	59,550	–	155,073	17,642	–
Grades 12	–	5,627	–	–	500	–
Grades 13 to 14	–	–	–	–	–	–
Private banking	26,480,718	–	–	308,631	–	–
Retail banking	10,765,986	406,838	2,177	121,499	3,044	–
	50,935,335	764,543	2,177	9,440,021	187,603	–
Expected credit loss allowance	(9,080)	(2,245)	–	(2,170)	(378)	–
2024						
Bank	Loan commitments			Financial guarantees		
	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000
Grades 1 to 5	11,304,750	376,295	–	6,942,824	15,274	–
Grades 6 to 8	934,958	136,443	–	1,395,403	82,737	–
Grades 9 to 11	309,185	3,675	–	193,548	13,502	–
Grades 12	–	486	–	–	152	–
Grades 13 to 14	–	–	–	–	–	50,493
Private banking	23,708,998	–	–	275,101	–	–
Retail banking	12,173,415	12,991	3,526	144,220	319	–
	48,431,306	529,890	3,526	8,951,096	111,984	50,493
Expected credit loss allowance	(7,936)	(11,733)	–	(1,508)	(226)	(4,756)

These are off-balance sheet instruments. Only the ECL is recorded on-balance sheet and therefore there is no “net carrying amount”. ECL allowances on off-balance sheet instruments are held as liability provisions to the extent that the drawn and undrawn components of loan exposures can be separately identified. Otherwise, they will be reported against the drawn component.

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Notes to the financial statements
For the financial year ended 31 December 2025

43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Movement in gross exposures

Bills receivable, loans and advances to banks and customers at amortised cost	Group				Bank			
	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3(a) S\$'000	Total S\$'000	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
2025								
Balance at 1 January 2025	86,498,704	3,590,497	1,029,554	91,118,755	69,720,278	3,138,397	487,097	73,345,772
Stage 1	3,624,538	(3,624,538)	—	—	2,517,574	(2,517,574)	—	—
Stage 2	(7,471,233)	7,497,031	(25,798)	—	(5,744,085)	5,753,225	(9,140)	—
Stage 3	(29,504)	(732,048)	761,552	—	—	(305,466)	305,466	—
New financial assets purchased or originated during the year	203,931,401	866,579	7,963	204,805,943	164,620,027	748,015	—	165,368,042
Repayments, disposals and write-offs	(188,556,773)	(4,311,942)	(825,357)	(193,694,072)	(152,016,963)	(4,016,295)	(334,561)	(156,367,819)
Foreign exchange and other movements	(1,041,992)	(84,573)	1,180	(1,125,385)	(1,301,219)	(97,256)	(15,793)	(1,414,268)
At 31 December 2025	96,955,141	3,201,006	949,094	101,105,241	77,795,612	2,703,046	433,069	80,931,727

Notes to the financial statements
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Risk governance (cont'd)

(a) *Credit risk (cont'd)*

Movement in gross exposures (cont'd)

Bills receivable, loans and advances to banks and customers at amortised cost	Group				Bank			
	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3(a) S\$'000	Total S\$'000	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
2024								
Balance at 1 January 2024	81,738,146	2,571,276	1,070,362	85,379,784	66,371,544	1,977,804	555,971	68,905,319
Stage 1	1,966,115	(1,966,115)	—	—	889,613	(889,613)	—	—
Stage 2	(6,165,429)	6,224,770	(59,341)	—	(4,429,446)	4,485,498	(56,052)	—
Stage 3	(11,591)	(569,975)	581,566	—	—	(210,246)	210,246	—
New financial assets purchased or originated during the year	195,227,447	712,014	18,898	195,958,359	156,251,256	444,854	—	156,696,110
Repayments, disposals and write-offs	(187,386,096)	(3,458,664)	(621,791)	(191,466,551)	(149,896,823)	(2,720,361)	(234,685)	(152,851,869)
Foreign exchange and other movements	1,130,112	77,191	39,860	1,247,163	534,134	50,461	11,617	596,212
At 31 December 2024	86,498,704	3,590,497	1,029,554	91,118,755	69,720,278	3,138,397	487,097	73,345,772

(a) Includes S\$35,157,000 originated credit-impaired loans and advances to customers in 2024, nil in 2025

Standard Chartered Bank (Singapore) Limited and its subsidiaries

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43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Movement in gross exposures (cont'd)

**Debt securities held at
amortised cost and fair
value through other
comprehensive income***

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Group				
2025				
Balance at 1 January 2025	17,945,336	—	23,361	17,968,697
New financial assets purchased or originated during the year	68,063,815	32,640	—	68,096,455
Maturities, disposals and write-offs	(56,731,989)	—	(1,093)	(56,733,082)
Foreign exchange and other movements	(82,780)	(484)	958	(82,306)
At 31 December 2025	29,194,382	32,156	23,226	29,249,764
	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
2024				
Balance at 1 January 2024	11,197,507	—	22,113	11,219,620
New financial assets purchased or originated during the year	45,131,724	—	—	45,131,724
Maturities, disposals and write-offs	(38,467,768)	—	—	(38,467,768)
Foreign exchange and other movements	83,873	—	1,248	85,121
At 31 December 2024	17,945,336	—	23,361	17,968,697

* Includes Singapore and other government securities.

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Notes to the financial statements
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43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Movement in gross exposures (cont'd)

Debt securities held at amortised cost and fair value through other comprehensive income*	Stage 1 S\$'000	Stage 2 S\$'000	Total S\$'000
Bank			
2025			
Balance at 1 January 2025	12,270,168	—	12,270,168
New financial assets purchased or originated during the year	50,888,227	32,640	50,920,867
Maturities, disposals and write-offs	(40,315,505)	—	(40,315,505)
Foreign exchange and other movements	(182,971)	(484)	(183,455)
At 31 December 2025	22,659,919	32,156	22,692,075
2024			
Balance at 1 January 2024	7,033,340	—	7,033,340
New financial assets purchased or originated during the year	26,646,493	—	26,646,493
Maturities, disposals and write-offs	(21,395,910)	—	(21,395,910)
Foreign exchange and other movements	(13,755)	—	(13,755)
At 31 December 2024	12,270,168	—	12,270,168

* Includes Singapore and other government securities.

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Notes to the financial statements
For the financial year ended 31 December 2025

43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Movement in gross exposures (cont'd)

Undrawn commitments and financial guarantees	Group				Bank			
	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
2025								
Balance at 1 January 2025	71,340,312	767,274	107,428	72,215,014	57,382,402	641,874	54,019	58,078,295
Transfer to Stage 1	148,462	(118,939)	(29,523)	—	68,797	(68,797)	—	—
Transfer to Stage 2	(2,270,797)	2,297,464	(26,667)	—	(1,661,808)	1,688,475	(26,667)	—
Transfer to Stage 3	—	(108,678)	108,678	—	—	(85,148)	85,148	—
Acquisitions	69,682,158	—	—	69,682,158	60,980,334	—	—	60,980,334
Derecognition	(63,597,063)	(1,356,696)	(120,149)	(65,073,908)	(55,507,821)	(1,203,918)	(103,608)	(56,815,347)
Foreign exchange and other movements	(744,675)	(2,634)	(14,134)	(761,443)	(886,548)	(20,340)	(6,715)	(913,603)
At 31 December 2025	74,558,397	1,477,791	25,633	76,061,821	60,375,356	952,146	2,177	61,329,679
2024								
Balance at 1 January 2024	62,469,224	807,067	81,107	63,357,398	50,762,852	567,075	52,731	51,382,658
Transfer to Stage 1	337,726	(332,066)	(5,660)	—	210,722	(205,062)	(5,660)	—
Transfer to Stage 2	(1,251,804)	1,251,804	—	—	(1,039,841)	1,039,841	—	—
Transfer to Stage 3	—	(265,820)	265,820	—	—	(216,886)	216,886	—
Acquisitions	69,617,681	—	—	69,617,681	59,712,976	—	—	59,712,976
Derecognition	(61,112,276)	(709,952)	(240,260)	(62,062,488)	(53,309,089)	(554,124)	(211,292)	(54,074,505)
Foreign exchange and other movements	1,279,761	16,241	6,421	1,302,423	1,044,782	11,030	1,354	1,057,166
At 31 December 2024	71,340,312	767,274	107,428	72,215,014	57,382,402	641,874	54,019	58,078,295

43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Credit risk mitigation

Potential credit losses from any given account, client or portfolio are mitigated using a range of tools such as collateral, netting agreements, credit insurance, credit derivatives taking into account expected volatility and guarantees. The reliance that can be placed on these mitigations is carefully assessed in light of issues such as legal certainty and enforceability, market valuation correlation and counterparty risk of the guarantor. The credit risk mitigation policy determines the key considerations for eligibility, enforceability and effectiveness of credit risk mitigation arrangements.

In order to be recognised as security and for the loan to be classified as secured, all items pledged must be valued and an active secondary resale market must exist for the collateral. Documentation must be held to enable the Group to realise the asset without the cooperation of the asset owner in the event that this is necessary. The Group also seeks to diversify its collateral holdings across asset classes and markets.

Regular valuation of collateral is required in accordance with the credit risk mitigation policy, which prescribes both the process of valuation and the frequency of valuation for different collateral types.

Where appropriate, collateral values are adjusted to reflect current market conditions, the probability of recovery and the period of time to realise the collateral in the event of possession. Where guarantees or credit derivatives are used as credit risk mitigation, the creditworthiness of the guarantor is assessed and established using the credit approval process in addition to that of the obligor or main counterparty.

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43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Credit risk mitigation (cont'd)

An estimate of the fair value of collateral and other credit enhancements held against bills receivable, loans and advances to customers and banks, after adjusting for the effect of over-collateralisation and excluding allowances made for impairment losses is shown below:

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Gross bills receivable, loans and advances to customers and banks	106,296,771	94,673,157	85,332,294	75,841,898
Less: Financial effect of collateral held*				
- Cash	(1,800,425)	(1,754,021)	(1,606,714)	(1,159,661)
- Structured products	(1,091,659)	(675,699)	(1,091,659)	(675,699)
- Equity securities	(1,490,441)	(1,426,183)	(1,490,441)	(1,426,183)
- Real estate	(27,376,488)	(25,144,758)	(21,893,598)	(19,816,202)
- Funds	(2,494,636)	(1,950,022)	(2,494,636)	(1,950,022)
- Insurance	(4,783,504)	(3,627,859)	(4,656,136)	(3,619,054)
- Bonds	(3,076,077)	(2,162,795)	(1,102,337)	(769,360)
- Other physical collateral	(3,121,212)	(3,194,147)	(3,026,949)	(3,360,432)
- Guarantees	(2,065,871)	(2,266,321)	(1,744,517)	(1,919,921)
- Others	(92,026)	(69,198)	(73,914)	(40,942)
Total collateral held	(47,392,339)	(42,271,003)	(39,180,901)	(34,737,476)
- Of which: collateral held for credit-impaired financial assets	(228,286)	(230,949)	(74,918)	(78,834)
Net exposure from bills receivable, loan and advances to customers and banks	58,904,432	52,402,154	46,151,393	41,104,422

* This excludes collaterals against wealth management exposures which are managed at portfolio level.

Collateral and other credit enhancements obtained

The Group takes possession of collateral held as security, such as properties, or by calling upon other credit enhancements. Repossessed properties are made available for sale in an orderly fashion, with the proceeds used to reduce or repay the outstanding indebtedness. Where the proceeds are in excess of the amount owed to the Bank, the excess is returned to the borrower.

The carrying value of collateral possessed that is held on the Group's balance sheet is nil as at 31 December 2025 and 31 December 2024.

43. Risk management (cont'd)

Risk governance (cont'd)

(b) *Traded risk*

Traded risk is the potential for loss resulting from activities undertaken in financial markets and covers mainly Counterparty Credit Risk and Market Risk. The Group establishes the Traded Risk Type Framework, which sets out the overall risk management approach for traded risk.

Traded Risk Management ("TRM") is the core risk management function supporting market-facing businesses, specifically Financial Markets and Treasury Markets.

(c) *Market risk*

Market Risk is the potential for loss of economic value due to adverse changes in financial market rates or prices. The Group's exposure to market risk arises predominantly from the following sources:

- Trading book: The Group provides customer access to financial markets, facilitation of which entails the Group taking moderate market risk positions. All trading teams support customer activity; there are no proprietary trading teams. Hence, income earned from market risk-related activities is primarily driven by the volume of client activity.
- Non-trading book: The Treasury Markets desk is required to hold a liquid assets buffer, much of which is held in high-quality marketable debt securities.

The primary categories of market risk for the Group are:

- Interest Rate Risk: arising from changes in yield curves, credit spreads and implied volatilities.
- Foreign Exchange Rate Risk: arising from changes in currency exchange rates and implied volatilities on foreign exchange options.
- Commodity Risk: arising from changes in commodity prices and implied volatilities on commodity options; covering mainly Gold and Silver positions for the entity

The Group's Board sets Market Risk Appetite for the Group, taking into account market volatility, range of products, the balance sheet and capital.

The Hub BRC under delegated authority from the Group's Board, approves Market Risk Type Framework for the Group. The SGARC performs market risk oversight and approve market risk limits for the Group in line with the Group's Board Risk Appetite for market risk. The SGARC also approves delegated authorities to the respective risk managers to perform day to day risk management responsibilities.

Notes to the financial statements
For the financial year ended 31 December 2025

43. Risk management (cont'd)

Risk governance (cont'd)

(c) *Market risk (cont'd)*

TRM function monitors market risk exposures against approved limits. Sensitivity measures and stress testing are used in addition to Value at Risk ("VaR") as risk management tools. The Group uses historical simulation approach to measure VaR, which is calculated for expected movements over a one business day holding period at a 97.5 per cent confidence level.

Market risk changes

Trading book market risk positions are mainly from interest rates trading, credit trading, commodity trading and foreign exchange. The average level of VaR in 2025 was higher than in 2024, due to heightened market volatility driven by shifting expectations and repricing around monetary policy easing, alongside elevated geopolitical tensions. Overall it is still within the risk appetite set by TRM.

Trading VaR (at 97.5%, 1 day)

	2025				2024			
	Average US\$ million	High ¹ US\$ million	Low ¹ US\$ million	Actual ² US\$ million	Average US\$ million	High ¹ US\$ million	Low ¹ US\$ million	Actual ² US\$ million
Daily VaR								
Interest rate risk ³	3.442	8.268	2.002	2.639	2.217	4.256	1.379	2.164
Foreign exchange risk	0.832	2.130	0.283	0.769	0.629	1.361	0.282	1.127
Commodity risk	1.812	5.967	0.124	3.926	0.212	1.086	0.094	0.147
Overall trading VaR ⁴	4.258	8.072	2.344	4.812	2.471	4.767	1.490	2.619

Non-trading VaR (at 97.5%, 1 day)

	2025				2024			
	Average US\$ million	High ¹ US\$ million	Low ¹ US\$ million	Actual ² US\$ million	Average US\$ million	High ¹ US\$ million	Low ¹ US\$ million	Actual ² US\$ million
Daily VaR								
Interest rate risk ³	5.671	8.661	4.598	5.324	5.250	8.680	1.970	6.510

¹ Highest and lowest VaR for each risk factor are independent and usually occur on different days.

² Actual one-day VaR at year-end date.

³ Interest Rate Risk VaR includes Credit Spread Risk arising from securities accounted for as fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI).

⁴ The total VaR shown in the tables above is not equal to the sum of the component risks due to offsets between them.

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Notes to the financial statements For the financial year ended 31 December 2025

43. Risk management (cont'd)

Risk governance (cont'd)

(c) *Market risk (cont'd)*

Currency exposure

The following table provides a breakdown of the Group's and Bank's assets and liabilities by currency as at the reporting date:

Group	SGD S\$'000	USD S\$'000	EUR S\$'000	Others S\$'000	Total S\$'000
2025					
Total assets	75,397,354	26,211,569	15,573,383	82,371,539	199,553,845
Total liabilities	(70,288,256)	(21,736,865)	(15,520,665)	(79,074,727)	(186,620,513)
Net assets	5,109,098	4,474,704	52,718	3,296,812	12,933,332
2024					
Total assets	43,101,883	171,172,937	(9,555,853)	(22,474,351)	182,244,616
Total liabilities	(38,243,607)	(166,886,243)	9,569,174	25,514,125	(170,046,551)
Net assets	4,858,276	4,286,694	13,321	3,039,774	12,198,065
Bank					
2025					
Total assets	74,053,364	45,057,462	15,655,854	37,611,911	172,378,591
Total liabilities	(68,751,590)	(37,915,220)	(15,606,766)	(37,256,682)	(159,530,258)
Net assets	5,301,774	7,142,242	49,088	355,229	12,848,333
2024					
Total assets	43,936,671	167,629,221	(8,739,846)	(42,800,231)	160,025,815
Total liabilities	(38,908,568)	(160,674,439)	8,750,690	43,069,636	(147,762,681)
Net assets	5,028,103	6,954,782	10,844	269,405	12,263,134

Included in others are net assets/(liabilities) in the following significant foreign currency exposures:

Group	AUD S\$'000	INR S\$'000	JPY S\$'000	GBP S\$'000	HKD S\$'000	RMB S\$'000	CHF S\$'000	KRW S\$'000
2025	1,758	(35,847)	6,509	52,940	(32,084)	20,949	26,734	2,366
2024	1,524	30,093	(3,971)	(18,767)	14,912	(21,753)	35,405	319
Bank								
2025	5,277	(36,753)	11,000	51,972	(34,374)	19,151	25,793	432
2024	2,719	29,783	(3,962)	(19,353)	13,387	(23,358)	34,920	375

43. Risk management (cont'd)

Risk governance (cont'd)

(d) *Liquidity risk*

Liquidity risk is the risk that the Group does not have sufficient financial resources available to meet all its obligations as they fall due or can only access these financial resources at an excessive cost. The Group's policy is to maintain adequate liquidity and funding at all times. Liquidity risk is managed in conjunction with liquidity policies and standards and local regulatory requirement.

The RALCO is responsible for ensuring that the Group is able to meet all its obligations to make payments as they fall due and operates within the local regulations and liquidity limits set for the Group. In the short term, the focus is on ensuring that the cash flow demands can be met when required. In the medium-to-long term, the focus is on ensuring that the balance sheet remains structurally sound and aligned to the strategy.

Contractual maturity for financial liabilities

The following table analyses the contractual cash flows payable (includes principal and interest) for the Group's financial liabilities by remaining contractual maturities on an undiscounted basis. In practice, however, the liability instruments behave differently from their contractual terms and typically, for short term customer accounts, extend to a longer period than their contractual maturity.

Derivative financial instruments include those net-settled and gross-settled derivative contracts in a net liability position. Derivatives not treated as hedging derivatives are included in the 'On demand' time bucket and not by contractual maturity.

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43. Risk management (cont'd)

Risk governance (cont'd)

(d) *Liquidity risk (cont'd)*

Analysis of financial liabilities by remaining contractual maturities

Group	Carrying amount S\$'000	Total S\$'000	On demand S\$'000	Within 1 year S\$'000	Between 1 to 5 years S\$'000	More than 5 years S\$'000
As at 31 December 2025						
Deposits and balances of banks	5,993,150	6,012,579	2,535,392	3,477,097	90	—
Deposits of non-bank customers	148,819,501	149,355,351	94,053,046	54,734,799	567,506	—
Structured notes and deposits	4,303,528	4,367,459	—	1,381,911	2,985,548	—
Derivatives financial instruments and other trading liabilities	6,943,182	6,943,182	5,741,126	323,420	646,240	232,396
Bills and drafts payable	2,845,246	2,845,246	—	2,844,133	1,113	—
Amounts due to intermediate holding company and its branches	3,893,537	3,893,909	2,024,746	1,829,846	952	38,365
Amounts due to related corporations	3,575,587	3,787,859	83,174	2,262,648	1,442,037	—
Other liabilities*	5,158,416	5,158,416	—	5,158,416	—	—
Lease liabilities	202,444	202,444	—	39,451	109,624	53,369
Subordinated notes	3,409,126	4,441,368	—	140,946	565,134	3,735,288
	185,143,717	187,007,813	104,437,484	72,192,667	6,318,244	4,059,418

* Excludes non-financial instruments.

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Notes to the financial statements
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43. Risk management (cont'd)

Risk governance (cont'd)

(d) *Liquidity risk (cont'd)*

Analysis of financial liabilities by remaining contractual maturities (cont'd)

Group	Carrying amount S\$'000	Total S\$'000	On demand S\$'000	Within 1 year S\$'000	Between 1 to 5 years S\$'000	More than 5 years S\$'000
As at 31 December 2024						
Deposits and balances of banks	5,765,692	5,803,778	2,178,860	3,080,729	544,189	—
Deposits of non-bank customers	135,126,662	135,701,104	87,192,422	48,363,669	142,010	3,003
Structured notes and deposits	2,479,580	2,488,804	—	901,188	1,587,542	74
Derivatives financial instruments and other trading liabilities	6,530,000	6,530,000	5,905,170	72,890	343,461	208,479
Bills and drafts payable	2,628,823	2,628,823	—	2,628,823	—	—
Amounts due to intermediate holding company and its branches	4,618,677	4,620,874	2,051,421	2,512,731	3,864	52,858
Amounts due to related corporations	3,140,709	3,459,942	96,199	1,748,297	1,613,413	2,033
Other liabilities*	4,260,414	4,260,414	—	4,260,414	—	—
Lease liabilities	229,622	229,622	—	40,042	113,955	75,625
Subordinated notes	3,738,019	5,687,681	—	261,670	1,243,115	4,182,896
	168,518,198	171,411,042	97,424,072	63,870,453	5,591,549	4,524,968

* Excludes non-financial instruments.

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Notes to the financial statements
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43. Risk management (cont'd)

Risk governance (cont'd)

(d) *Liquidity risk (cont'd)*

Analysis of financial liabilities by remaining contractual maturities (cont'd)

Bank	Carrying amount S\$'000	Total S\$'000	On demand S\$'000	Within 1 year S\$'000	Between 1 to 5 years S\$'000	More than 5 years S\$'000
As at 31 December 2025						
Deposits and balances of banks	4,939,174	4,951,508	2,272,098	2,679,320	90	—
Deposits of non-bank customers	122,035,021	122,353,540	75,743,558	46,586,345	23,637	—
Structured notes and deposits	4,036,198	4,100,129	—	1,136,365	2,963,764	—
Derivatives financial instruments and other trading liabilities	4,558,910	4,558,910	4,100,174	69,864	240,412	148,460
Bills and drafts payable	2,436,673	2,436,673	—	2,436,673	—	—
Amounts due to intermediate holding company and its branches	2,996,396	2,996,767	1,577,123	1,380,327	952	38,365
Amounts due to related corporations	2,310,711	2,318,843	68,881	2,172,545	77,417	—
Amounts due to subsidiaries	6,949,122	6,958,281	681,032	6,277,249	—	—
Other liabilities*	4,370,801	4,370,801	—	4,370,801	—	—
Lease liabilities	178,932	178,932	—	31,591	94,630	52,711
Subordinated notes	3,409,126	4,441,368	—	140,946	565,134	3,735,288
	158,221,064	159,665,752	84,442,866	67,282,026	3,966,036	3,974,824

* Excludes non-financial instruments.

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Notes to the financial statements
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43. Risk management (cont'd)

Risk governance (cont'd)

(d) *Liquidity risk (cont'd)*

Analysis of financial liabilities by remaining contractual maturities (cont'd)

Bank	Carrying amount S\$'000	Total S\$'000	On demand S\$'000	Within 1 year S\$'000	Between 1 to 5 years S\$'000	More than 5 years S\$'000
As at 31 December 2024						
Deposits and balances of banks	4,951,061	4,977,939	1,907,328	2,526,422	544,189	—
Deposits of non-bank customers	110,243,920	110,602,450	69,831,424	40,704,036	63,987	3,003
Structured notes and deposits	2,129,765	2,138,989	—	569,047	1,569,942	—
Derivatives financial instruments and other trading liabilities	5,139,974	5,139,974	4,723,098	28,538	244,771	143,567
Bills and drafts payable	2,396,990	2,396,990	—	2,396,990	—	—
Amounts due to intermediate holding company and its branches	4,222,319	4,224,517	2,008,930	2,158,865	3,864	52,858
Amounts due to related corporations	1,545,239	1,552,344	87,315	1,376,199	86,797	2,033
Amounts due to subsidiaries	8,170,194	8,181,942	900,582	7,281,360	—	—
Other liabilities*	3,807,497	3,807,497	—	3,807,497	—	—
Lease liabilities	206,574	206,574	—	30,798	101,049	74,727
Subordinated notes	3,585,998	5,493,935	—	261,670	1,049,369	4,182,896
	146,399,531	148,723,151	79,458,677	61,141,422	3,663,968	4,459,084

* Excludes non-financial instruments.

43. Risk management (cont'd)

Risk governance (cont'd)

(e) *Operational and Technology risk*

The Group defines Operational and Technology Risk as the “Potential for loss from inadequate or failed internal processes, technology events, human error, or from the impact of external events (including legal risks)”. Operational Risks can be mitigated through the application of an effective system of controls. The Group aims to control operational and technology risks to ensure that operational losses (financial or reputational), including any related to conduct of business matters, do not cause material damage to the Group's franchise. The Group applies the Standardised Approach for measuring the capital requirements for operational risk

(f) *Environmental, Social and Governance and Reputational (“ESGR”) risk*

SC Group defines ESGR risk as the potential or actual adverse impact on the environment and/or society, the SC Group's financial performance, operations, or SC Group's name, brand or standing, arising from environmental, social or governance factors, or as a result of SC Group's actual or perceived actions or inactions.

The ESGR RTF provides the overall risk management approach for Environmental, Social and Governance (“ESG”) and Reputational risks.

The Environmental, Social and Governance (“ESG”) Risk policy outlines the SC Group's commitment to integrating ESG considerations into its business, operations, and decision-making process. The policy sets out the requirements for identifying, assessing, escalating and managing ESG risks for SC Group's operations, clients/transactions and third parties.

The Reputational Risk policy outlines the requirements for identifying, assessing, escalating and managing negative shifts in stakeholder perception arising from client onboarding and due diligence, transactions, product design and product features, or strategic coverages such as entry into new markets or investments. The policy also sets out the key considerations for mitigating greenwashing risk that can arise during product and/or deal lifecycle, sustainability reporting and disclosures, and external campaigns related to sustainability themes.

(g) *Model risk*

SC Group defines Model Risk as potential loss that may occur as a consequence of decisions or the risk of mis-estimation that could be principally based on the output of models, due to errors in the development, implementation or use of such models.

The Model risk policy and standards define requirements for model development, validation, implementation and use, including regular model performance monitoring and, where required, model risk mitigants.

Model deficiencies identified through the development or validation process, or model performance issues identified through ongoing monitoring, are mitigated through respective model risk mitigants. Mitigants include model overlays, model restrictions and a model recalibration or redevelopment, all which undergo independent review, challenge, and approval.

43. Risk management (cont'd)

Risk governance (cont'd)

(g) *Model risk (cont'd)*

SCBSL Group monitors Model Risk via a set of RA metrics that are approved by the SCBSL Group's Board. Adherence to Model RA and any threshold breaches are reported to Hub Local Model Assessment Committee ("Hub LMAC"), SGARC and SCBSL Hub BRC. These metrics are reviewed on annual basis to ensure that threshold calibration remains appropriate, and the themes adequately cover the current risks.

Models undergo regular monitoring and independent validation based on their level of perceived model materiality and uncertainty, with results presented and breaches escalated to the Model Sponsor, Model Owner, Group Model Validation. For Internal Ratings Based Approach ("IRBA") models approved by MAS and ECL models, results are also presented to Hub LMAC, and quarterly updates to SGARC and SCBSL Hub BRC. The frequency required by regulator over-write the frequency prescribed in the Model Risk Framework and the accompanying policy.

(h) *Capital management*

The Group's approach to capital management is to maintain a strong capital base to support the development of the Group's business and to meet regulatory capital requirements at all times.

The Group applies the Internal Capital Adequacy Assessment Process ("ICAAP") to assess its capital demand on a current, planned and stressed basis. The assessment covers the major risks faced by the Group, in addition to credit, market and operational risks that are covered under the minimum capital requirements. The capital management and planning process is overseen by the Regional ALCO, which is chaired by the CFO Singapore and ASEAN.

The Group's regulator, MAS, under MAS Notice 637 to Banks on Risk Based Capital Adequacy Requirements sets out the requirements relating to the minimum capital adequacy ratios for banks incorporated in Singapore and the methodology the banks shall use in calculating these ratios.

The table below shows the composition of the Group's regulatory capital and its capital adequacy ratios, determined according to the requirements of MAS Notice 637 to Banks.

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43. Risk management (cont'd)

Risk governance (cont'd)

(h) *Capital management (cont'd)*

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Ordinary shares	7,690,429	7,690,429	7,690,429	7,690,429
Disclosed reserves	2,848,889	2,111,778	2,886,092	2,298,880
Minority interest that meets criteria for inclusion	83,002	72,673	—	—
Regulatory adjustments	(1,204,996)	(986,320)	(2,418,319)	(2,291,855)
Common Equity Tier 1 (“CET 1”) Capital	9,417,324	8,888,560	8,158,202	7,697,454
Non-cumulative redeemable preference shares	1,081,209	1,081,209	1,081,209	1,081,209
Perpetual capital securities	750,000	750,000	750,000	750,000
AT1 capital instruments issued by fully-consolidated subsidiaries that meet criteria for inclusion	7,890	6,440	—	—
Regulatory adjustments	—	—	(183,000)	(123,000)
Additional Tier 1 (“AT1 1”) Capital	1,839,099	1,837,649	1,648,209	1,708,209
Tier 1 Capital	11,256,423	10,726,209	9,806,411	9,405,663
Subordinated notes	3,409,126	3,585,998	3,409,126	3,585,998
Tier 2 capital instruments issued by fully-consolidated subsidiaries that meet criteria for inclusion	2,207	8,581	—	—
Impairment allowances	397,069	289,219	382,958	332,986
Regulatory adjustments	—	—	(444,056)	(301,649)
Tier 2 Capital	3,808,402	3,883,798	3,348,028	3,617,335
Eligible Total Capital	15,064,825	14,610,007	13,154,439	13,022,998
Risk-weighted assets	65,966,530	60,021,568	54,783,192	50,821,808
Capital adequacy ratios				
Common Equity Tier 1	14.28%	14.81%	14.89%	15.15%
Tier 1	17.06%	17.87%	17.90%	18.51%
Total	22.84%	24.34%	24.01%	25.62%

Pursuant to section 9 of the Banking Act of Singapore, the Group is required to maintain a paid-up capital and capital funds of not less than S\$1,500,000,000.

The Group's capital is the aggregate of its paid-up share capital and disclosed reserves which include retained earnings and reserves.

The Group has complied with the requirement prescribed by the MAS throughout the year.

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44. Financial instruments

Classification

The Group's classification of its financial assets and liabilities is summarised in the following tables.

Group	Assets at fair value					Total S\$'000
	Mandatorily at fair value through profit or loss S\$'000	Derivatives held for hedging S\$'000	Designated at fair value through profit or loss S\$'000	Fair value through other comprehensiv e income S\$'000	Asset at amortised cost S\$'000	
2025						
Assets						
Cash and balances with central banks	389,228	–	–	–	13,156,441	13,545,669
Singapore government securities and treasury bills	11,062,636	–	–	17,340,776	757,536	29,160,948
Other government securities and treasury bills	5,430,247	–	–	5,790,158	754,519	11,974,924
Investment securities	2,142,433	–	–	1,918,868	2,696,092	6,757,393
Derivative financial instruments	4,710,104	204,016	–	–	–	4,914,120
Loans and advances to banks	1,990,915	–	–	–	10,849,712	12,840,627
Loans and advances to customers	3,200,615	–	–	–	80,645,774	83,846,389
Bills receivable	–	–	–	–	8,844,489	8,844,489
Amounts due from intermediate holding company and its branches	1,582,810	–	–	–	8,137,635	9,720,445
Amounts due from related corporations	161,169	–	–	–	774,186	935,355
Other assets*	–	–	–	–	4,130,779	4,130,779
Assets held for sale	–	–	–	–	37,179	37,179
	30,670,157	204,016	–	25,049,802	130,784,342	186,708,317

* Excludes non-financial instruments.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
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44. Financial instruments (cont'd)

Classification (cont'd)

Group	Liabilities at fair value			Liabilities at amortised cost S\$'000	Total S\$'000
	Mandatorily at fair value through profit or loss S\$'000	Derivatives held for hedging S\$'000	Designated at fair value through profit or loss S\$'000		
2025					
Liabilities					
Deposits and balances of banks	—	—	336,010	5,657,140	5,993,150
Deposits of non-bank customers	—	—	—	148,819,501	148,819,501
Structured notes and deposits	—	—	1,874,446	2,429,082	4,303,528
Derivative financial instruments and other trading liabilities	6,851,287	91,895	—	—	6,943,182
Bills and drafts payable	—	—	—	2,845,246	2,845,246
Amounts due to intermediate holding company and its branches	—	—	152,126	3,741,411	3,893,537
Amounts due to related corporations	—	—	8,219	3,567,368	3,575,587
Other liabilities*	—	—	—	5,360,860	5,360,860
Subordinated notes	—	—	—	3,409,126	3,409,126
	6,851,287	91,895	2,370,801	175,829,734	185,143,717

* Excludes non-financial instruments.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2025

44. Financial instruments (cont'd)

Classification (cont'd)

Group	Assets at fair value					Total S\$'000
	Mandatorily at fair value through profit or loss S\$'000	Derivatives held for hedging S\$'000	Designated at fair value through profit or loss S\$'000	Fair value through other comprehensiv e income S\$'000	Asset at amortised cost S\$'000	
2024						
Assets						
Cash and balances with central banks	305,542	—	—	—	28,990,268	29,295,810
Singapore government securities and treasury bills	7,838,298	—	—	7,894,727	759,744	16,492,769
Other government securities and treasury bills	4,831,754	—	—	4,524,563	729,505	10,085,822
Investment securities	2,739,345	—	—	2,002,194	2,067,034	6,808,573
Derivative financial instruments	5,918,547	182,643	—	—	—	6,101,190
Loans and advances to banks	2,117,316	—	—	—	7,151,179	9,268,495
Loans and advances to customers	1,437,086	—	—	—	72,980,561	74,417,647
Bills receivable	—	—	—	—	10,178,688	10,178,688
Amounts due from intermediate holding company and its branches	1,863,194	—	—	—	8,848,532	10,711,726
Amounts due from related corporations	220,050	—	—	—	645,085	865,135
Other assets*	—	—	—	—	2,260,368	2,260,368
Assets held for sale	—	—	—	—	70,765	70,765
	27,271,132	182,643	—	14,421,484	134,681,729	176,556,988

* Excludes non-financial instruments.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2025

44. Financial instruments (cont'd)

Classification (cont'd)

Group	Liabilities at fair value			Liabilities at amortised cost S\$'000	Total S\$'000
	Mandatorily at fair value through profit or loss S\$'000	Derivatives held for hedging S\$'000	Designated at fair value through profit or loss S\$'000		
2024					
Liabilities					
Deposits and balances of banks	—	—	176,680	5,589,012	5,765,692
Deposits of non-bank customers	—	—	—	135,126,662	135,126,662
Structured notes and deposits	—	—	852,677	1,626,903	2,479,580
Derivative financial instruments and other trading liabilities	6,358,382	171,618	—	—	6,530,000
Bills and drafts payable	—	—	—	2,628,823	2,628,823
Amounts due to intermediate holding company and its branches	—	—	993,662	3,625,015	4,618,677
Amounts due to related corporations	—	—	—	3,140,709	3,140,709
Other liabilities*	—	—	—	4,490,036	4,490,036
Subordinated notes	—	—	—	3,738,019	3,738,019
	6,358,382	171,618	2,023,019	159,965,179	168,518,198

* Excludes non-financial instruments.

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Notes to the financial statements
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44. Financial instruments (cont'd)

Classification (cont'd)

Bank	Assets at fair value				Asset at amortised cost S\$'000	Total S\$'000
	Mandatorily at fair value through profit or loss S\$'000	Derivatives held for hedging S\$'000	Designated at fair value through profit or loss S\$'000	Fair value through other comprehensive income S\$'000		
2025						
Assets						
Cash and balances with central bank	273,036	—	—	—	12,677,154	12,950,190
Singapore government securities and treasury bills	11,062,636	—	—	13,890,312	757,536	25,710,484
Other government securities and treasury bills	2,975,927	—	—	3,671,497	—	6,647,424
Investment securities	2,117,231	—	—	1,909,270	2,463,234	6,489,735
Derivative financial instruments	3,246,141	201,284	—	—	—	3,447,425
Loans and advances to banks	1,199,952	—	—	—	6,868,779	8,068,731
Loans and advances to customers	3,200,615	—	—	—	66,090,747	69,291,362
Bills receivable	—	—	—	—	7,522,673	7,522,673
Amounts due from intermediate holding company and its branches	1,539,147	—	—	—	7,613,357	9,152,504
Amounts due from related corporations	161,169	—	—	—	640,866	802,035
Amounts due from subsidiaries	—	—	—	—	3,536,738	3,536,738
Other assets*	—	—	—	—	2,818,482	2,818,482
Assets held for sale	—	—	—	—	37,179	37,179
	25,775,854	201,284	—	19,471,079	111,026,745	156,474,962

* Excludes non-financial instruments.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
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44. Financial instruments (cont'd)

Classification (cont'd)

Bank	Liabilities at fair value			Liabilities at amortised cost S\$'000	Total S\$'000
	Mandatorily at fair value through profit or loss S\$'000	Derivatives held for hedging S\$'000	Designated at fair value through profit or loss S\$'000		
2025					
Liabilities					
Deposits and balances of banks	—	—	336,010	4,603,164	4,939,174
Deposits of non-bank customers	—	—	—	122,035,021	122,035,021
Structured notes and deposits	—	—	1,646,077	2,390,121	4,036,198
Derivative financial instruments and other trading liabilities	4,472,946	85,964	—	—	4,558,910
Bills and drafts payable	—	—	—	2,436,673	2,436,673
Amounts due to intermediate holding company and its branches	—	—	152,126	2,844,270	2,996,396
Amounts due to related corporations	—	—	8,219	2,302,492	2,310,711
Amounts due to subsidiaries	—	—	—	6,949,122	6,949,122
Other liabilities*	—	—	—	4,549,733	4,549,733
Subordinated notes	—	—	—	3,409,126	3,409,126
	4,472,946	85,964	2,142,432	151,519,722	158,221,064

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Notes to the financial statements
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44. Financial instruments (cont'd)

Classification (cont'd)

Bank	Assets at fair value				Asset at amortised cost S\$'000	Total S\$'000
	Mandatorily at fair value through profit or loss S\$'000	Derivatives held for hedging S\$'000	Designated at fair value through profit or loss S\$'000	Fair value through other comprehensive income S\$'000		
2024						
Assets						
Cash and balances with central bank	176,521	—	—	—	28,016,534	28,193,055
Singapore government securities and treasury bills	7,838,298	—	—	5,095,243	759,744	13,693,285
Other government securities and treasury bills	2,378,022	—	—	2,563,681	—	4,941,703
Investment securities	2,683,451	—	—	1,992,388	1,858,994	6,534,833
Derivative financial instruments	4,893,785	161,771	—	—	—	5,055,556
Loans and advances to banks	1,288,638	—	—	—	4,872,734	6,161,372
Loans and advances to customers	1,207,488	—	—	—	58,999,420	60,206,908
Bills receivable	—	—	—	—	8,988,137	8,988,137
Amounts due from intermediate holding company and its branches	1,839,765	—	—	—	8,519,999	10,359,764
Amounts due from related corporations	220,050	—	—	—	581,866	801,916
Amounts due from subsidiaries	—	—	—	—	4,758,178	4,758,178
Other assets*	—	—	—	—	1,576,507	1,576,507
Assets held for sale	—	—	—	—	70,765	70,765
	22,526,018	161,771	—	9,651,312	119,002,878	151,341,979

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
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44. Financial instruments (cont'd)

Classification (cont'd)

Bank	Liabilities at fair value			Liabilities at amortised cost S\$'000	Total S\$'000
	Mandatorily at fair value through profit or loss S\$'000	Derivatives held for hedging S\$'000	Designated at fair value through profit or loss S\$'000		
2024					
Liabilities					
Deposits and balances of banks	–	–	176,680	4,774,381	4,951,061
Deposits of non-bank customers	–	–	–	110,243,920	110,243,920
Structured notes and deposits	–	–	502,862	1,626,903	2,129,765
Derivative financial instruments and other trading liabilities	4,972,050	167,924	–	–	5,139,974
Bills and drafts payable	–	–	–	2,396,990	2,396,990
Amounts due to intermediate holding company and its branches	–	–	993,662	3,228,657	4,222,319
Amounts due to related corporations	–	–	–	1,545,239	1,545,239
Amounts due to subsidiaries	–	–	–	8,170,194	8,170,194
Other liabilities*	–	–	–	4,014,071	4,014,071
Subordinated notes	–	–	–	3,585,998	3,585,998
	4,972,050	167,924	1,673,204	139,586,353	146,399,531

* Excludes non-financial instruments.

Financial liabilities designated at fair value through profit or loss

Group	2025 S\$'000	2024 S\$'000
Carrying balance aggregate fair value	2,370,801	2,023,019
Amount contractually obliged to repay at maturity	2,367,219	2,042,902
Difference between aggregate fair value and contractually obliged to repay at maturity	3,582	(19,883)
Bank		
Carrying balance aggregate fair value	2,142,432	1,673,204
Amount contractually obliged to repay at maturity	2,132,996	1,712,417
Difference between aggregate fair value and contractually obliged to repay at maturity	9,436	(39,213)

44. Financial instruments (cont'd)

Valuation of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market or, in the absence of this, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects the Group's non-performance risk. The fair value of financial instruments is generally measured on the basis of the individual financial instrument. However, when a group of financial assets and financial liabilities is managed on the basis of its net exposure to either market risk or credit risk, the fair value of the group of financial instruments is measured on a net basis.

The fair values of quoted financial assets and liabilities in active markets are based on current prices. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. Wherever possible, fair values have been calculated using unadjusted quoted market prices in active markets for identical instruments held by the Group. Where quoted market prices are not available, or are unreliable because of poor liquidity, fair values have been determined using valuation techniques which, to the extent possible, use market observable inputs, but in some cases use nonmarket observable inputs. Valuation techniques used include discounted cash flow analysis and pricing models and, where appropriate, comparison to instruments with characteristics similar to those of the instruments held by the Group.

The Valuation Control function is responsible for independent price verification, oversight of fair value adjustments and escalation of valuation issues. Independent price verification is the process of determining the valuations incorporated into the financial statements are validated independent of the business area responsible for the product. The Valuation Control function has oversight of the fair value adjustments to ensure the financial instruments are priced to exit. These are key controls in ensuring the material accuracy of the valuations incorporated in the financial statements. The market data used for price verification may include those sourced from recent trade data involving external counterparties or third parties such as Bloomberg, Reuters, brokers and consensus pricing providers. Valuation Control performs a semi annual review of the suitability of the market data used for price testing. Price verification uses independently sourced data that is deemed most representative of the market the instruments trade in. To determine the quality of the market data inputs, factors such as independence, relevance, reliability, availability of multiple data sources and methodology employed by the pricing provider are taken into consideration.

Formal committees for the business clusters, consisting of representatives from the Bank Market Risk, Product Control, Valuation Control and the Business meet monthly to discuss and approve the valuations of the inventory. The business cluster valuation committees fall under the Valuation Benchmarks Committee ("VBC") as part the of the valuation governance structure.

44. Financial instruments (cont'd)

Valuation hierarchy

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the observability of the significant inputs used to determine fair values.

Changes in the observability of significant valuation inputs during the reporting period may result in a transfer of assets and liabilities within the fair value hierarchy. The Group recognises transfers between levels of fair value hierarchy when there is a significant change in either its principal market or the level of observability of the inputs to the valuation techniques as at the end of the reporting period.

Level 1 - Level 1 fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 - Level 2 valuations are those with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in less than active markets and financial instruments valued using models where all significant inputs are observable.

Level 3 - Level 3 portfolios are those where at least one input which could have a significant effect on the instrument's valuation is not based on observable market data.

There have been no significant changes to valuation or levelling approaches.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

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44. Financial instruments (cont'd)

Valuation hierarchy (cont'd)

The table below shows the classification of financial instruments carried at fair value into valuation hierarchy:

Group	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
2025				
Assets measured at fair value				
Cash and balances with central banks	—	389,228	—	389,228
Singapore government securities and treasury bills	28,403,412	—	—	28,403,412
Other government securities and treasury bills	3,967,141	7,253,264	—	11,220,405
Investment securities	796,839	2,608,662	655,800	4,061,301
Derivative financial instruments	7,347	4,857,781	48,992	4,914,120
Loans and advances to banks	—	1,582,827	408,088	1,990,915
Loans and advances to customers	—	1,407,783	1,792,832	3,200,615
Amounts due from intermediate holding company and its branches	—	1,582,810	—	1,582,810
Amounts due from related corporations	—	161,169	—	161,169
	33,174,739	19,843,524	2,905,712	55,923,975
Liabilities measured at fair value				
Deposits and balances of banks	—	336,010	—	336,010
Structured notes and deposits	—	1,451,446	423,000	1,874,446
Derivative financial instruments and other trading liabilities	381,574	6,374,732	186,876	6,943,182
Amounts due to intermediate holding company and its branches	—	152,126	—	152,126
Amounts due to related corporations	—	8,219	—	8,219
	381,574	8,322,533	609,876	9,313,983

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44. Financial instruments (cont'd)

Valuation hierarchy (cont'd)

Group	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
2024				
Assets measured at fair value				
Cash and balances with central banks	—	305,542	—	305,542
Singapore government securities and treasury bills	15,733,025	—	—	15,733,025
Other government securities and treasury bills	3,246,283	6,110,034	—	9,356,317
Investment securities	680,370	3,217,810	843,359	4,741,539
Derivative financial instruments	7,189	6,056,559	37,442	6,101,190
Loans and advances to banks	—	1,630,811	486,505	2,117,316
Loans and advances to customers	—	920,539	516,547	1,437,086
Amounts due from intermediate holding company and its branches	—	1,863,194	—	1,863,194
Amounts due from related corporations	—	220,050	—	220,050
	19,666,867	20,324,539	1,883,853	41,875,259
Liabilities measured at fair value				
Deposits and balances of banks	—	176,680	—	176,680
Structured notes and deposits	—	627,108	225,569	852,677
Derivative financial instruments and other trading liabilities	257,973	6,044,622	227,405	6,530,000
Amounts due to intermediate holding company and its branches	—	993,662	—	993,662
Amounts due to related corporations	—	—	—	—
	257,973	7,842,072	452,974	8,553,019

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44. Financial instruments (cont'd)

Valuation hierarchy (cont'd)

Bank	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
2025				
Assets measured at fair value				
Cash and balances with central banks	—	273,036	—	273,036
Singapore government securities and treasury bills	24,952,948	—	—	24,952,948
Other government securities and treasury bills	3,863,761	2,783,663	—	6,647,424
Investment securities	796,839	2,583,460	646,202	4,026,501
Derivative financial instruments	5,055	3,400,382	41,988	3,447,425
Loans and advances to banks	—	791,864	408,088	1,199,952
Loans and advances to customers	—	1,407,783	1,792,832	3,200,615
Amounts due from intermediate holding company and its branches	—	1,539,147	—	1,539,147
Amounts due from related corporations	—	161,169	—	161,169
	29,618,603	12,940,504	2,889,110	45,448,217
Liabilities measured at fair value				
Deposits and balances of banks	—	336,010	—	336,010
Structured notes and deposits	—	1,238,121	407,956	1,646,077
Derivative financial instruments and other trading liabilities	374,801	3,999,085	185,024	4,558,910
Amounts due to intermediate holding company and its branches	—	152,126	—	152,126
Amounts due to related corporations	—	8,219	—	8,219
	374,801	5,733,561	592,980	6,701,342

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44. Financial instruments (cont'd)

Valuation hierarchy (cont'd)

Bank	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
2024				
Assets measured at fair value				
Cash and balances with central banks	–	176,521	–	176,521
Singapore government securities and treasury bills	12,933,541	–	–	12,933,541
Other government securities and treasury bills	3,042,636	1,899,067	–	4,941,703
Investment securities	680,370	3,161,916	833,553	4,675,839
Derivative financial instruments	5,875	5,020,591	29,090	5,055,556
Loans and advances to banks	–	802,133	486,505	1,288,638
Loans and advances to customers	–	690,941	516,547	1,207,488
Amounts due from intermediate holding company and its branches	–	1,839,765	–	1,839,765
Amounts due from related corporations	–	220,050	–	220,050
	16,662,422	13,810,984	1,865,695	32,339,101
Liabilities measured at fair value				
Deposits and balances of banks	–	176,680	–	176,680
Structured notes and deposits	–	291,181	211,681	502,862
Derivative financial instruments and other trading liabilities	256,441	4,656,128	227,405	5,139,974
Amounts due to intermediate holding company and its branches	–	993,662	–	993,662
	256,441	6,117,651	439,086	6,813,178

There are no significant transfers of financial assets and liabilities measured at fair value between Level 1 and Level 2 during the year.

44. Financial instruments (cont'd)

Valuation techniques of financial instruments measured at fair value

Loans and advances to banks and customers

These include loans in the global syndications business which were not syndicated as of the balance sheet date and other financing transactions within Financial Markets. These loans are generally bilateral in nature and, where available, their valuation is based on observable clean sales transaction prices or market observable credit spreads. If observable credit spreads are not available, proxy spreads based on comparable loans with similar credit grade, sector, and region, are used. Where observable credit spreads and market standard proxy methods are available, these loans are classified as Level 2. Where there are no recent transactions or comparable loans, these loans are classified as Level 3.

Debt securities – Asset-backed securities

Asset-backed securities are valued based on external prices obtained from consensus pricing providers, broker quotes, recent trades, arrangers' quotes, etc. Where an observable price is available for a given security, it is classified as Level 2. In instances where third party prices are not available or reliable, the security is classified as Level 3. The fair value of Level 3 securities is estimated using market standard cash flow models with input parameter assumptions which include prepayment speeds, default rates, discount margins derived from comparable securities with similar vintage, collateral type, and credit ratings. Therefore, once external pricing has been verified, an assessment is made whether each security is traded with significant liquidity based on its credit rating and sector. If a security is of high credit rating and is traded in a liquid market, it will be classified as Level 2, otherwise it will be classified as Level 3.

Other debt securities

These debt securities include convertible bonds, corporate bonds, credit and structured notes. Where quoted prices are available through pricing vendors, brokers or observable trading activities from liquid markets, these are classified as Level 2 and valued using such quotes. Where there are significant valuation inputs which are unobservable in the market, due to illiquid trading or the complexity of the product, these are classified as Level 3. The valuations of these debt securities are implied using input parameters such as bond spreads and credit spreads. These input parameters are determined with reference to the same issuer (if available) or proxied from comparable issuers or assets.

Structured notes and deposits

These debt securities relate to structured notes issued by the Bank. Where independent market data is available through pricing vendors and broker sources these positions are classified as Level 2. Where such liquid external prices are not available, valuation of these debt securities are implied using input parameters such as bond spreads and credit spreads, and are classified as Level 3. These input parameters are determined with reference to the same issuer (if available) or proxies from comparable issuers or assets.

44. Financial instruments (cont'd)

Valuation techniques of financial instruments measured at fair value (cont'd)

Derivatives

Derivative products are classified as Level 2 if the valuation of the product is based upon input parameters which are observable from independent and reliable market data sources. Derivative products are classified as Level 3 if there are significant valuation input parameters which are unobservable in the market, such as products where the performance is linked to more than one underlying variable. Examples are foreign exchange basket options, equity options based on the performance of two or more underlying indices and interest rate products with quanto payouts. These unobservable correlation parameters could only be implied from the market, through methods such as historical analysis and comparison to historical levels or benchmark data.

Fair value adjustments

When establishing the exit price of a financial instrument using a valuation technique, the Group considers adjustments to the modelled price which market participants would make when pricing that instrument. The main valuation adjustments in determining fair value for financial assets and financial liabilities are as follows:

Bid Offer valuation adjustments

Where market parameters are marked on a mid-market basis in the revaluation systems, a bid offer valuation adjustment is required to quantify the expected cost of neutralising the business' positions through dealing away in the market, thereby bringing long positions to bid and short position to offer. The methodology to calculate the bid offer adjustment for derivative portfolio involves netting between long and short positions and the grouping of risk by strike and tenor based on the hedging strategy where long positions are marked to bid and short positions marked to offer in the systems.

Credit valuation adjustment ("CVA")

The Group makes CVA adjustment against the fair value of derivative products. CVA is an adjustment to the fair value of the transactions to reflect the possibility that our counterparties may default and we may not receive the full market value of the outstanding transactions. It represents an estimate of the adjustment a market participant would include when deriving a purchase price to acquire our exposures. CVA is calculated for each subsidiary, and within each entity for each counterparty to which the entity has exposure and takes account of any collateral we may hold. The Group calculates the CVA by applying the probability of default ("PD") on the potential estimated future positive exposure of the counterparty using market-implied PD. Where market-implied data is not readily available, we use market based proxies to estimate the PD. The methodologies do not, in general, account for 'wrong-way risk'. Wrong-way risk arises when the underlying value of the derivative prior to any CVA is positively correlated to the probability of default by the counterparty.

44. Financial instruments (cont'd)

Fair value adjustments (cont'd)

Debit valuation adjustment ("DVA")

The Group calculates DVA adjustments to reflect changes in its own credit standing. The Group's DVA adjustments are calculated on its derivative liabilities. The Group's DVA adjustments will increase if its credit standing worsens and conversely, decrease if its credit standing improves. The Group's DVA adjustments will reverse over time as its derivatives mature. For derivative liabilities, a DVA adjustment is determined by applying the Group's probability of default to the Group's negative expected exposure against the counterparty.

The Group's probability of default and loss expected in the event of default is derived based on internally assessed credit ratings and market standard recovery levels. The expected exposure is modelled based on simulation methodology and is generated through simulation of underlying risk factors over the life of the deal booked against the particular counterparty. This simulation methodology incorporates the collateral posted by the Group and the effects of master netting agreements. The methodology used to determine a DVA adjustment on derivative liabilities is consistent with the methodology used to determine CVA on derivative assets.

Own credit adjustments ("OCA")

The Group calculates OCA adjustments to reflect changes in its own credit standing. The Group's OCA adjustments are calculated on its issued debt designated at fair value, including structured notes. The Group's OCA adjustments will increase if its credit standing worsens and conversely, decrease if its credit standing improves. The Group's OCA adjustments will reverse over time as its liabilities mature. For issued debt and structured notes designated at fair value, an OCA adjustment is determined by discounting the contractual cash flows using a yield curve adjusted for market observed secondary senior debt issuance spreads above average interbank rates.

Model valuation adjustments/Parameters uncertainty adjustment

Valuation uncertainty may occur due to uncertainties in the required input parameters or uncertainties in the modeling methods used in valuation process. In such situation, adjustments may be necessary to take these factors into accounts. Valuation models may have pricing deficiencies or limitations that require a valuation adjustment. These pricing deficiencies or limitations arise due to the choice, implementation and calibration of the pricing model.

Funding valuation adjustments ("FVA")

The Group makes FVA adjustments against derivative products. FVA reflects an estimate of the adjustment to its fair value that a market participant would make to incorporate funding costs that arise in relation to the exposure. FVA is calculated by determining the net expected exposure at a counterparty level and then applying a funding rate to those exposures that reflect the market cost of funding. The FVA for collateralised derivatives is based on discounting the expected future cash flows at the relevant overnight indexed swap ("OIS") rate after taking into consideration the terms of the underlying collateral agreement with the counterparty. The FVA for uncollateralised (including partially collateralised) derivatives incorporates the estimated present value of the market funding cost or benefit associated with funding these transactions.

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44. Financial instruments (cont'd)

Fair value adjustments (cont'd)

Day One profit and loss

In certain circumstances the initial fair value may be based on a valuation technique which may lead to the recognition of profits or losses at the time of initial recognition. However, these profits or losses can only be recognised when the valuation technique used is based primarily on observable market data. In those cases where the initially recognised fair value is based on a valuation model that uses inputs which are not observable in the market, the difference between the transaction price and the valuation model is not recognised immediately in the statement of profit or loss. The difference is amortised to the statement of profit or loss until the inputs become observable, or the transaction matures or is terminated.

Level 3 movement tables - financial assets and liabilities

The tables below analyse movements in Level 3 financial assets and liabilities measured at fair value for the Group and the Bank.

Group	Financial assets at fair value				
	Investment securities	Derivatives	Loans and advances to customers	Loans and advances to banks	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2025					
Opening balance	843,359	37,442	516,547	486,505	1,883,853
Purchases	191,779	44,725	1,540,083	—	1,776,587
Sales	(751,634)	(14,756)	(249,925)	(50,134)	(1,066,449)
Total losses in profit or loss	(29,071)	(23,739)	(31,741)	(28,283)	(112,834)
Total losses in statement of comprehensive income	(776)	—	—	—	(776)
Transfer into Level 3 ¹	461,853	9,118	17,868	—	488,839
Transfer out of Level 3 ²	(59,710)	(3,798)	—	—	(63,508)
Closing balance	655,800	48,992	1,792,832	408,088	2,905,712
Total (losses)/gains included in profit or loss for assets held at the end of the year	7,030	(23,392)	9,555	(2,595)	(9,402)

¹ Transfers in primarily relate to investment securities, derivative financial instruments and loans and advances to customers where the valuation parameters become unobservable during the year.

² Transfers out include investment securities and derivative financial instruments where the valuation parameters become observable during the period and were transferred to Level 2.

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44. Financial instruments (cont'd)

Level 3 movement tables – financial assets and liabilities (cont'd)

Group	Financial assets at fair value				
	Investment securities S\$'000	Derivatives S\$'000	Loans and advances to customers S\$'000	Loans and advances to banks S\$'000	Total S\$'000
2024					
Opening balance	1,465,888	43,696	119,687	359,299	1,988,570
Purchases	439,352	50,965	626,957	472,604	1,589,878
Sales	(962,113)	(53,573)	(377,739)	(427,631)	(1,821,056)
Total (losses)/gains in profit or loss	28,056	(9,835)	19,251	15,675	53,147
Total losses in statement of comprehensive income	(411)	–	–	–	(411)
Transfer into Level 3 ¹	–	11,174	149,297	66,558	227,029
Transfer out of Level 3 ²	(127,413)	(4,985)	(20,906)	–	(153,304)
Closing balance	843,359	37,442	516,547	486,505	1,883,853
Total (losses)/gains included in profit or loss for assets held at the end of the year	(1,838)	(10,830)	8,760	2,118	(1,790)

¹ Transfers in primarily relate to derivative financial instruments and loans and advances to banks and loans and advances to customers where the valuation parameters become unobservable during the year.

² Transfers out include investment securities, derivative financial instruments and loans and advances to customers where the valuation parameters become observable during the period and were transferred to Level 2.

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Notes to the financial statements
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44. Financial instruments (cont'd)

Level 3 movement tables - financial assets and liabilities (cont'd)

Bank	Financial assets at fair value				
	Investment securities S\$'000	Derivatives S\$'000	Loans and advances to customers S\$'000	Loans and advances to banks S\$'000	Total S\$'000
2025					
Opening balance	833,553	29,090	516,547	486,505	1,865,695
Purchases	191,779	35,569	1,540,083	—	1,767,431
Sales	(751,634)	(9,384)	(249,925)	(50,134)	(1,061,077)
Total losses in profit or loss	(29,454)	(18,939)	(31,741)	(28,283)	(108,417)
Total losses in statement of comprehensive income	(185)	—	—	—	(185)
Transfer into Level 3 ¹	461,853	8,811	17,868	—	488,532
Transfer out of Level 3 ²	(59,710)	(3,159)	—	—	(62,869)
Closing balance	646,202	41,988	1,792,832	408,088	2,889,110
Total (losses)/gains included in profit or loss for assets held at the end of the year	7,030	(18,286)	9,555	(2,595)	(4,296)

¹ Transfers in primarily relate to investment securities, derivative financial instruments and loans and advances to customers where the valuation parameters become unobservable during the year.

² Transfers out include investment securities and derivative financial instruments where the valuation parameters become observable during the period and were transferred to Level 2.

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44. Financial instruments (cont'd)

Level 3 movement tables - financial assets and liabilities (cont'd)

Bank	Financial assets at fair value				
	Investment securities S\$'000	Derivatives S\$'000	Loans and advances to customers S\$'000	Loans and advances to banks S\$'000	Total S\$'000
2024					
Opening balance	1,456,720	42,036	119,687	359,299	1,977,742
Purchases	439,352	38,406	626,957	472,604	1,577,319
Sales	(962,113)	(44,328)	(377,739)	(427,631)	(1,811,811)
Total (losses)/gains in profit or loss	27,544	(6,858)	19,251	15,675	55,612
Total losses in statement of comprehensive income	(537)	—	—	—	(537)
Transfer into Level 3 ¹	—	4,631	149,297	66,558	220,486
Transfer out of Level 3 ²	(127,413)	(4,797)	(20,906)	—	(153,116)
Closing balance	833,553	29,090	516,547	486,505	1,865,695
Total (losses)/gains included in profit or loss for assets held at the end of the year	(1,838)	(7,525)	8,760	2,118	1,515

¹ Transfers in primarily relate to derivative financial instruments, loans and advances to banks, and loans and advances to customers where the valuation parameters become unobservable during the year.

² Transfers out include investment securities, derivative financial instruments and loans and advances to customers where the valuation parameters become observable during the period and were transferred to Level 2.

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Notes to the financial statements
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44. Financial instruments (cont'd)

Level 3 movement tables - financial assets and liabilities (cont'd)

Group	Financial liabilities at fair value		
	Structured notes and deposits S\$'000	Derivatives and other trading liabilities S\$'000	Total S\$'000
2025			
Opening balance	225,569	227,405	452,974
Issues	839,607	597,812	1,437,419
Sales	(499,657)	(615,071)	(1,114,728)
Settlements	(165,530)	(7,914)	(173,444)
Total gains in profit or loss	(9,184)	(17,879)	(27,063)
Transfer into Level 3 ¹	32,195	5,017	37,212
Transfer out of Level 3 ²	–	(2,494)	(2,494)
Closing balance	423,000	186,876	609,876
Total losses/(gains) for the period included in profit or loss for liabilities held at the end of the reporting period	4,850	(7,588)	(2,738)
Bank			
Bank	Financial liabilities at fair value		
	Structured notes and deposits S\$'000	Derivatives and other trading liabilities S\$'000	Total S\$'000
2025			
Opening balance	211,681	227,405	439,086
Issues	778,377	595,787	1,374,164
Sales	(468,752)	(615,029)	(1,083,781)
Settlements	(134,534)	(7,351)	(141,885)
Total gains in profit or loss	(11,011)	(18,220)	(29,231)
Transfer into Level 3 ¹	32,195	4,926	37,121
Transfer out of Level 3 ²	–	(2,494)	(2,494)
Closing balance	407,956	185,024	592,980
Total losses/(gains) for the period included in profit or loss for liabilities held at the end of the reporting period	3,634	(7,855)	(4,221)

¹ Transfers in primarily relate to structured notes and derivative financial instruments where the valuation parameters become unobservable during the year.

² Transfers out includes derivative financial instruments where the valuation parameters become observable during the period and were transferred to Level 2.

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44. Financial instruments (cont'd)

Level 3 movement tables - financial assets and liabilities (cont'd)

Group	Financial liabilities at fair value		
	Structured notes and deposits S\$'000	Derivatives and other trading liabilities S\$'000	Total S\$'000
2024			
Opening balance	300,497	137,943	438,440
Issues	606,854	600,429	1,207,283
Sales	(566,787)	(356,710)	(923,497)
Settlements	(157,386)	(84,452)	(241,838)
Total loss in profit or loss	16,995	8,186	25,181
Transfer into Level 3 ¹	25,396	2,138	27,534
Transfer out of Level 3 ²	–	(80,129)	(80,129)
Closing balance	225,569	227,405	452,974
Total loss for the period included in profit or loss for liabilities held at the end of the reporting period	8,398	3,118	11,516
Bank	Financial liabilities at fair value		
	Structured notes and deposits S\$'000	Derivatives and other trading liabilities S\$'000	Total S\$'000
2024			
Opening balance	286,127	137,887	424,014
Issues	592,191	600,407	1,192,598
Sales	(537,430)	(356,644)	(894,074)
Settlements	(157,386)	(84,433)	(241,819)
Total loss in profit or loss	15,794	8,179	23,973
Transfer into Level 3 ¹	12,385	2,138	14,523
Transfer out of Level 3 ²	–	(80,129)	(80,129)
Closing balance	211,681	227,405	439,086
Total loss for the period included in profit or loss for liabilities held at the end of the reporting period	7,962	3,112	11,074

¹ Transfers in primarily relate to structured notes and derivative financial instruments where the valuation parameters become unobservable during the year.

² Transfers out includes derivative financial instruments where the valuation parameters become observable during the period and were transferred to Level 2.

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44. Financial instruments (cont'd)

Level 3 movement tables - financial assets and liabilities (cont'd)

The following table presents the Group and the Bank's primary Level 3 financial instruments which are held at fair value. The table also presents the valuation technique used to measure the fair value of those financial instruments, the significant unobservable input, the range of values for those inputs and the weighted average of those inputs:

Group Instrument	Value at 31 December 2025		Principal valuation technique	Significant unobservable input	Range ^(a)	Weighted average ^(b)
	Assets S\$'million	Liabilities S\$'million				
Investment securities	656	–	Discounted cash flows	Price/Yield	5.8%-19.1%	8.8%
			Discounted cash flows	Discount rates	9.2%-9.2%	9.2%
			Comparable pricing/yield	Price*	NA	NA
Loans and advances to banks	408	–	Discounted cash flows	Repo curve	0.7%-5.5%	3.1%
Loans and advances to customers	1,793	–	Discounted cash flows	Price/Yield	2.1%-61.3%	8.2%
			Comparable pricing/yield	Price/Yield	99.2%-99.4%	99.3%
			Discounted cash flows	Price/Yield	5.4%-7.1%	6.6%
Credit derivatives	4	148	Internal			
Foreign exchange derivatives	1	–	Pricing Model Internal	Switch Factor	NA	NA
Interest rate derivatives	7	2	pricing model Internal	Switch Factor	NA	NA
			pricing model Internal	Bond Option	NA	NA
			pricing model Internal	Implied Volatility	NA	NA
			pricing model Internal	Lutz correlation parameter	NA	NA
Equity derivatives	37	37	Pricing Model Internal	Equity-Equity Correlation	50.8%-100%	77.6%
			Pricing Model Internal	Equity-FX Correlation	(26.9)% - 46.8%	6.7%
Structured notes and deposits	–	423	Discounted cash flows	Price/Yield	6.1%-19.1%	11.5%
	2,906	610				

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44. Financial instruments (cont'd)

Level 3 movement tables - financial assets and liabilities (cont'd)

Group Instrument	Value at 31 December 2024		Principal valuation technique	Significant unobservable input	Range ^(a)	Weighted average ^(b)
	Assets S\$'million	Liabilities S\$'million				
Investment securities	843	–	Discounted cash flows	Price/Yield	5.8%-15.3%	7.5%
			Discounted cash flows	Recovery rate	16.3%-16.3%	16.3%
			Discounted cash flows	Discount rates	9.2%-9.2%	9.2%
			Comparable yield	P/B multiples	0.6x-0.6x	0.6x
			Comparable yield	Liquidity discount	20.0%-20.0%	20.0%
Loans and advances to banks	487	–	Discounted cash flows	Repo curve	4.96%-5.1%	4.97%
Loans and advances to customers	517	–	Discounted cash flows	Price/Yield	1.3%-100.0%	6.2%
Credit derivatives	5	206	Discounted cash flows	Price/Yield	4.8%-6.4%	5.4%
Foreign exchange derivatives	4	1	Internal Pricing Model	Switch Factor	NA	NA
Interest rate derivatives	8	–	Internal pricing model	Switch Factor	NA	NA
			Internal pricing model	Lutz correlation parameter	NA	NA
Equity derivatives	20	20	Internal Pricing Model	Equity-Equity Correlation	44.9%-100.0%	80.0%
			Internal Pricing Model	Equity-FX Correlation	(36.4%)-48.9%	5.05%
Structured notes and deposits	–	226	Discounted cash flows	Price/Yield	4.8%-9.0%	6.5%
			Option pricing model	Switch factor	NA	NA
	1,884	453				

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44. Financial instruments (cont'd)

Level 3 movement tables - financial assets and liabilities (cont'd)

Bank Instrument	Value at 31 December 2025		Principal valuation technique	Significant unobservable input	Range ^(a)	Weighted average ^(b)
	Assets S\$'million	Liabilities S\$'million				
Investment securities	646	–	Discounted cash flows Comparable pricing/yield	Price/Yield Price*	5.8%-19.1% NA	8.8% NA
Loans and advances to banks	408	–	Discounted cash flows	Repo curve	0.7%-5.5%	3.1%
Loans and advances to customers	1,793	–	Discounted cash flows Comparable pricing /Yield	Price/Yield Price/Yield	2.1%-61.3% 99.2%-99.4%	8.2% 99.3%
Credit derivatives	4	148	Discounted cash flows	Price/Yield	5.4%-7.1%	6.6%
Foreign exchange derivatives	1	–	Internal pricing model	Internal	NA	NA
Equity derivatives	37	37	Pricing Model Internal	Switch Factor Equity-Equity Correlation	50.8%-100% (26.9)% - 46.8%	77.6% 6.7%
Structured notes and deposits	–	408	Pricing Model Discounted cash flows	Equity-FX Correlation Price/Yield	6.1%-19.1%	11.5%
	2,889	593				

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44. Financial instruments (cont'd)

Level 3 movement tables - financial assets and liabilities (cont'd)

Bank Instrument	Value at 31 December 2024		Principal valuation technique	Significant unobservable input	Range ^(a)	Weighted average ^(b)
	Assets S\$'million	Liabilities S\$'million				
Investment securities	833	–	Discounted cash flows	Price/Yield	5.8%-15.3%	7.5%
Loans and advances to banks	487	–	Discounted cash flows	Recovery rate	16.3%-16.3%	16.3%
			Discounted cash flows	Repo curve	4.96%-5.1%	4.97%
Loans and advances to customers	517	–	Discounted cash flows	Price/Yield	1.3%-100.0%	6.2%
Credit derivatives	5	206	Discounted cash flows	Price/Yield	4.8%-6.4%	5.4%
Foreign exchange derivatives	4	1	Internal pricing model	Switch Factor	NA	NA
Equity derivatives	20	20	Internal Pricing Model	Equity-Equity Correlation	44.9%-100.0%	80.0%
			Internal Pricing Model	Equity-FX Correlation	(36.4)%-48.9%	5.05%
Structured notes and deposits	–	212	Discounted cash flows	Price/Yield	4.8%-9.0%	6.5%
	1,866	439				

^(a) The ranges of values shown in the above table represent the highest and lowest levels used in the valuation of the Group and the Bank's level 3 financial instruments as at 31 December. The ranges of values used are reflective of the underlying characteristics of these Level 3 financial instruments based on the market conditions at the balance sheet date. However, these ranges of values may not represent the uncertainty in fair value measurements of the Group's level 3 financial instruments.

^(b) Weighted average for non-derivative financial instruments have been calculated by weighting inputs by the relative fair value. N/A has been entered for the cases where weighted average is not a meaningful indicator.

* The inputs for equity shares under Comparable pricing/yield technique have been consolidated under 'Price' as they are not individually material.

44. Financial instruments (cont'd)

Level 3 movement tables - financial assets and liabilities (cont'd)

The below describes the significant unobservable input identified in the valuation technique table.

Credit spreads

Credit spreads represent the additional yield that a market participant would demand for taking exposure to the credit risk of an instrument.

Recovery rates

Recovery rates are the expectation of the rate of return resulting from the liquidation of a particular loan. As the probability of default increases for a given instrument, the valuation of that instrument will increasingly reflect its expected recovery level assuming default. An increase in the recovery rate, in isolation, would result in a favourable movement in the fair value of the loan.

Comparable price/Yield

Comparable pricing is a valuation methodology in which a price of a comparable instrument is used to estimate the fair value where there are no direct observable prices. Yield is the interest rate that is used to discount the future cash-flows in a discounted cash-flow model. Valuation using comparable instruments can be done by calculating an implied yield (or spread over a liquid benchmark) from the price of a comparable instrument, then adjusting that yield (or spread) to derive a value for the instrument. The adjustment should account for relevant differences in the financial instruments such as maturity and/or credit quality. Alternatively, a price-to-price basis can be assumed between the comparable instrument and the instrument being valued in order to establish the value of the instrument (e.g., deriving a fair value for a junior unsecured bond from the price of a senior secured bond). An increase in price, in isolation, would result in a favourable movement in the fair value of the asset. An increase in yield, in isolation, would result in an unfavourable movement in the fair value of the asset.

Correlation

Correlation is the measure of how movement in one variable influences the movement in another variable. An equity correlation is the correlation between two equity instruments.

Volatility

Volatility represents an estimate of how much a particular instrument, parameter or index will change in value over time. Generally, the higher the volatility, the more expensive the option will be.

Interest rate curves

Interest rate curve is the term structure of interest rates and measure of future interest rates at a particular point of time.

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44. Financial instruments (cont'd)

Valuation techniques of financial instruments measured at amortised cost

The following table summarises the carrying amounts and incorporates the Group and the Bank's estimate of fair values of those financial assets and liabilities not presented on the Group and the Bank's statement of financial position at fair value. The fair values in the table below may be different from the actual amount that will be received/paid on the settlement or maturity of the financial instrument. For certain instruments, the fair value may be determined using assumptions for which no observable prices are available.

Group	Carrying amount S\$'000	Fair value			
		Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
2025					
Loans and advances to customers	80,645,774	—	2,021,194	78,623,136	80,644,330
2024					
Loans and advances to customers	72,980,561	—	1,380,958	74,476,750	75,857,708
Bank	Carrying amount S\$'000	Fair value			
		Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
2025					
Loans and advances to customers	66,090,747	—	2,021,194	64,338,598	66,359,792
2024					
Loans and advances to customers	58,999,420	—	1,380,958	60,661,107	62,042,065

The following sets out the Group's basis of establishing fair values of amortised cost financial instruments. As certain categories of financial instruments are not traded, there is a significant level of management judgement involved in calculating the fair values.

Cash and balances with central banks

The fair value of cash and balances at central banks is their carrying amounts.

44. Financial instruments (cont'd)

Valuation techniques of financial instruments measured at amortised cost (cont'd)

Loans and advances to banks and customers and bills receivable

For loans and advances to banks, the fair value of floating rate placements and overnight deposits is their carrying amounts. The estimated fair value of fixed interest bearing deposits is based on discounted cash flows using the prevailing money market rates for debts with a similar credit risk and remaining maturity.

The fair value of loans and advances to customers and bills receivable with a residual maturity of less than one year generally approximates the carrying value, subject to any significant movement in credit spreads. The estimated fair value of loans and advances to customers and bills receivable with a residual maturity of more than one year represents the discounted amount of future cash flows expected to be received, including assumptions relating to prepayment rates and, where appropriate, credit spreads. Expected cash flows are discounted at current market rates to determine fair value. The Group has a wide range of individual instruments within its loans and advances and bills receivable portfolio and as a result providing quantification of the key assumptions used to value such instruments is impractical.

Investment securities

For investment securities that do not have directly observable market values, the Group utilises a number of valuation techniques to determine fair value. Where available, securities are valued using inputs proxies from the same or closely related underlying (for example, bond spreads from the same or closely related issuer) or inputs proxies from a different underlying (for example, a similar bond but using spreads for a particular sector and rating). Certain instruments cannot be proxies as set out above, and in such cases the positions are valued using non-market observable inputs. This includes those instruments held at amortised cost and predominantly relate to asset-backed securities. The fair value for such instruments is usually proxies from internal assessments of the underlying cash flows. The Group has a wide range of individual investments within the unlisted debt securities portfolio. Given the number of instruments involved, providing quantification of the key assumptions used to value such instruments is impractical, with no one assumption being material.

Deposits and borrowings

The estimated fair value of deposits with no stated maturity is the amount repayable on demand. The estimated fair value of fixed interest bearing deposits and other borrowings without quoted market prices is based on discounted cash flows using the prevailing market rates for debts with a similar credit risk and remaining maturity, and approximates their carrying amounts.

Structured notes and deposits

The fair value of structured notes and deposits approximates the carrying amount.

Subordinated notes

The fair value of the floating rate subordinated notes approximates the carrying amount.

44. Financial instruments (cont'd)

Sensitivities in respect of the fair value of Level 3 assets and liabilities

Sensitivity analysis is performed on products with significant unobservable inputs. The Group applies a 10% (2024: 10%) increase or decrease on the values of these unobservable inputs, to generate a range of reasonably possible alternative valuations. The percentage shift is determined by statistical analyses performed on a set of reference prices based on the composition of the Group's Level 3 assets. Favourable and unfavourable changes are determined on the basis of changes in the value of the instrument as a result of varying the levels of the unobservable parameters. This Level 3 sensitivity analysis assumes a one way market move and does not consider offsets for hedges.

Group	Net exposure S\$'million	Favourable changes S\$'million	Unfavourable changes S\$'million
2025			
Investment securities	656	667	646
Loans and advances to banks	408	409	406
Loans and advances to customers	1,793	1,815	1,769
Structured notes and deposits	(423)	(415)	(431)
Derivative financial instruments	(138)	(120)	(156)
	2,296	2,356	2,234
2024			
Investment securities	843	882	805
Loans and advances to banks	487	489	484
Loans and advances to customers	517	523	509
Structured notes and deposits	(226)	(214)	(237)
Derivative financial instruments	(190)	(184)	(196)
	1,431	1,496	1,365

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44. Financial instruments (cont'd)

Sensitivities in respect of the fair value of Level 3 assets and liabilities (cont'd)

Bank	Net exposure S\$'million	Favourable changes S\$'million	Unfavourable changes S\$'million
2025			
Investment securities	646	656	638
Loans and advances to banks	408	409	406
Loans and advances to customers	1,793	1,815	1,769
Structured notes and deposits	(408)	(400)	(416)
Derivative financial instruments	(143)	(126)	(160)
	<u>2,296</u>	<u>2,354</u>	<u>2,237</u>
2024			
Investment securities	833	871	796
Loans and advances to banks	487	489	484
Loans and advances to customers	517	523	509
Structured notes and deposits	(212)	(202)	(221)
Derivative financial instruments	(198)	(193)	(203)
	<u>1,427</u>	<u>1,488</u>	<u>1,365</u>

Offsetting of financial instruments

The tables below set out the related amounts not offset in the statement of financial position. This comprises:

- (a) Financial instruments not offset in the balance sheet, but covered by an enforceable netting agreement - this comprises master netting arrangements or similar agreements held against derivative financial instruments and excludes the effect of over collateralisation; and
- (b) Financial collateral - This comprises cash collateral pledged and received for derivative financial instruments, collateral bought and sold for reverse repurchase and repurchase agreements respectively, collateral bought and sold for securities borrowing and lending agreements respectively and excludes the effect of over collateralisation.

44. Financial instruments (cont'd)

Offsetting of financial instruments (cont'd)

The similar agreements include derivative clearing agreements, global master repurchase agreements and global master securities lending agreements.

The ISDA and similar master netting arrangements do not meet the criteria for offsetting in the statement of financial position. This is because they create for the parties to the agreement, a right of set-off of recognised amounts that is enforceable only following an event of default, insolvency or bankruptcy of the Group and the Bank or the counterparties or following other predetermined events. In addition, the Group and the Bank and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The Group receives and gives collateral in the form of cash and marketable securities in respect of the following transactions:

- derivatives
- sale and repurchase and reverse sale and repurchase agreements
- securities lending and borrowing

Such collateral is subject to standard industry terms including, when appropriate, an ISDA Credit Support Annex. This means that securities received/given as collateral can be pledged or sold during the term of the transaction but have to be returned on maturity of the transaction. The terms also give each party the right to terminate the related transactions on the counterparty's failure to post collateral.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2025

44. Financial instruments (cont'd)

Offsetting of financial instruments (cont'd)

Group	Carrying amounts on statement of financial position S\$'000	Financial instruments not in scope of offsetting disclosures S\$'000	Gross recognised financial instruments in scope S\$'000	Related amounts not offset in the statement of financial position		Net amount S\$'000
				Financial instruments S\$'000	Financial collateral S\$'000	
2025						
Assets						
Derivative financial instruments	4,914,120	453,085	4,461,035	(2,882,886)	–	1,578,149
Reverse repurchase, securities borrowing and similar agreements	12,265,250	–	12,265,250	–	(12,256,702)	8,548
At 31 December 2025	17,179,370	453,085	16,726,285	(2,882,886)	(12,256,702)	1,586,697
Liabilities						
Derivative financial instruments	6,943,182	1,133,621	5,809,561	(2,882,886)	–	2,926,675
Sale and repurchase, securities lending and similar agreements	957,205	–	957,205	–	(956,746)	459
At 31 December 2025	7,900,387	1,133,621	6,766,766	(2,882,886)	(956,746)	2,927,134
2024						
Assets						
Derivative financial instruments	6,101,190	384,983	5,716,207	(3,754,402)	–	1,961,805
Reverse repurchase, securities borrowing and similar agreements	12,489,627	–	12,489,627	–	(12,449,677)	39,950
At 31 December 2024	18,590,817	384,983	18,205,834	(3,754,402)	(12,449,677)	2,001,755
Liabilities						
Derivative financial instruments	6,530,000	668,664	5,861,336	(3,754,402)	–	2,106,934
Sale and repurchase, securities lending and similar agreements	1,274,560	–	1,274,560	–	(1,272,040)	2,520
At 31 December 2024	7,804,560	668,664	7,135,896	(3,754,402)	(1,272,040)	2,109,454

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2025

44. Financial instruments (cont'd)

Offsetting of financial instruments (cont'd)

Bank	Carrying amounts on statement of financial position S\$'000	Financial instruments not in scope of offsetting disclosures S\$'000	Gross recognised financial instruments in scope S\$'000	Related amounts not offset in the statement of financial position		Net amount S\$'000
				Financial instruments S\$'000	Financial collateral S\$'000	
2025						
Assets						
Derivative financial instruments	3,447,425	228,359	3,219,066	(2,594,204)	–	624,862
Reverse repurchase, securities borrowing and similar agreements	8,528,818	–	8,528,818	–	(8,520,270)	8,548
At 31 December 2025	11,976,243	228,359	11,747,884	(2,594,204)	(8,520,270)	633,410
Liabilities						
Derivative financial instruments	4,558,910	76,073	4,482,837	(2,594,204)	–	1,888,633
Sale and repurchase, securities lending and similar agreements	496,355	–	496,355	–	(495,896)	459
At 31 December 2025	5,055,265	76,073	4,979,192	(2,594,204)	(495,896)	1,889,092
2024						
Assets						
Derivative financial instruments	5,055,556	170,087	4,885,469	(3,560,989)	–	1,324,480
Reverse repurchase, securities borrowing and similar agreements	9,650,023	–	9,650,023	–	(9,610,072)	39,951
At 31 December 2024	14,705,579	170,087	14,535,492	(3,560,989)	(9,610,072)	1,364,431
Liabilities						
Derivative financial instruments	5,139,974	126,729	5,013,245	(3,560,989)	–	1,452,256
Sale and repurchase, securities lending and similar agreements	1,170,343	–	1,170,343	–	(1,167,822)	2,521
At 31 December 2024	6,310,317	126,729	6,183,588	(3,560,989)	(1,167,822)	1,454,777

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2025

44. Financial instruments (cont'd)

Offsetting of financial instruments (cont'd)

Financial collateral pledged and received for derivative financial instruments are held by the Group and the Bank.

Reclassification of financial assets

The carrying and fair values, statement of profit or loss impact and expected cash flows from the reclassified assets are not material at the end of the reporting period.

45. Non-current assets and liabilities

Non-current assets and liabilities (not expected to be settled or recovered within the next 12 months) are as follows:

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Assets				
Singapore government securities and treasury bills	2,710,659	3,203,134	2,710,659	3,203,134
Other government securities and treasury bills	7,856,536	7,444,456	3,274,036	2,764,472
Derivative financial instruments	194,817	156,759	192,085	156,272
Investment securities	5,487,593	5,452,542	5,641,806	5,336,777
Loans and advances to banks	659,096	1,909,709	652,291	1,871,413
Loans and advance to customers	45,689,395	42,527,907	37,690,704	35,327,253
Bills receivable	28,681	271	—	271
Amounts due from intermediate holding company and its branches	—	387,243	—	387,243
Amounts due from related corporations	36,856	17,166	36,856	17,166
Investments in associates	89,937	89,514	72,509	72,509
Investments in subsidiaries	—	—	3,515,643	3,575,604
Deferred tax assets	34,826	55,780	—	—
Property and equipment	337,668	383,106	297,290	341,446
Goodwill and intangible assets	1,048,250	1,006,891	788,181	767,895
	64,174,314	62,634,478	54,872,060	53,821,455

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2025

45. Non-current assets and liabilities (cont'd)

	Group		Bank	
	2025	2024	2025	2024
	S\$'000	S\$'000	S\$'000	S\$'000
Liabilities				
Deposits and balances of banks	90	544,189	90	544,189
Deposits of non-bank customers	31,696	131,754	22,694	66,641
Derivative financial instruments and other trading liabilities	878,636	551,940	388,872	388,338
Bills and drafts payable	1,113	—	—	—
Structured notes and deposits	2,928,259	1,580,015	2,906,475	1,562,341
Amounts due to intermediate holding company and its branches	39,317	56,722	39,317	56,722
Amounts due to related corporations	1,295,550	1,375,014	73,623	82,778
Subordinated notes	3,409,126	3,738,019	3,409,126	3,585,998
Deferred tax liabilities	74,137	66,051	65,007	66,051
Other liabilities	162,993	189,580	147,341	175,776
	8,820,917	8,233,284	7,052,545	6,528,834

Other than the items disclosed above, all other balances are current.

46. Authorisation of financial statements for issue

The financial statements of the Bank and the Group were authorised for issue by the Board of Directors on 18 March 2026.



Company Registration No. 201224747C

Standard Chartered Bank (Singapore) Limited
and its subsidiaries

Annual Financial Statements
31 December 2024

Standard Chartered Bank (Singapore) Limited and its subsidiaries

General information

Directors

Benjamin Pi-Cheng Hung
Patrick Lee Fook Yau
Gu Chenwei
Low Lily
Liew Yun Chong Agnes
Kevin Kwok Khien
Mahadevan Shivkumar

Company Secretaries

Tay Geok Ling
Chan Wan Mei

Registered Office

8 Marina Boulevard
#27-01 Marina Bay Financial Centre
Singapore 018981

Auditor

Ernst & Young LLP

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Standard Chartered Bank (Singapore) Limited and its subsidiaries

Directors' statement

The directors are pleased to present their statements to the members of Standard Chartered Bank (Singapore) Limited (the "Bank") and its subsidiaries (the "Group") together with the audited financial statements for the financial year ended 31 December 2024.

Opinion of the directors

In our opinion,

- (a) the financial statements set out on Pages 8 to 184, which comprise the statements of financial position of the Group and the Bank as at 31 December 2024, the statements of profit or loss, the statements of comprehensive income and the statements of changes in equity of the Group and the Bank, and the consolidated cash flow statement of the Group for the year then ended, and material accounting policy information and other explanatory information are properly drawn up so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Bank as of 31 December 2024 and of the consolidated financial performance, changes in equity and cash flows of the Group, and of the financial performance and the changes in equity of the Bank for the year then ended in accordance with the requirements of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)s"); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Bank will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

The directors of the Bank in office at the date of this statement are:

Benjamin Pi-Cheng Hung
Patrick Lee Fook Yau
Gu Chenwei
Low Lily
Liew Yun Chong Agnes
Kevin Kwok Khien
Mahadevan Shivkumar

Directors' interests in shares and debentures

The directors who held office at the end of the financial year have been granted exemption from compliance with Section 201(16) and paragraph 9 of the Twelfth Schedule of the Companies Act, Chapter 1967 (the "Act"). Full detailed information regarding directors' interests in shares or debentures of the Bank or of related corporations, either at the beginning of the financial year, or at date of appointment if later, or at the end of the financial year, can be obtained at the registered office of the Bank at 8 Marina Boulevard, #27-01 Marina Bay Financial Centre, Singapore 018981, in accordance with Section 164(8) and (9) of the Act.

Standard Chartered PLC operates employee share plans, under which eligible employees including directors of the Bank were granted awards over ordinary Standard Chartered PLC shares. Details of Standard Chartered PLC employee share plans can be found in Standard Chartered PLC annual report which is publicly available on the website.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Directors' statement

Directors' interests in shares and debentures (cont'd)

Except for the granted awards, neither at the end of, nor at any time during the financial year, was the Bank a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Bank to acquire benefits by means of the acquisition of shares in or debentures of the Bank or any other body corporate.

Share options

During the financial year, there was:

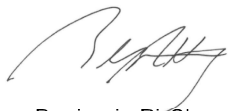
- (a) no option granted by the Bank to any person to take up unissued shares in the Bank; and
- (b) no share issued by virtue of the exercise of options to take up unissued shares of the Bank.

At the end of the financial year, there was no unissued share of the Bank under option.

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors:



Benjamin Pi-Cheng Hung
Director



Patrick Lee Fook Yau
Director

Singapore
19 March 2025

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Independent auditor's report For the financial year ended 31 December 2024

Independent auditor's report to the members of Standard Chartered Bank (Singapore) Limited and its subsidiaries

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Standard Chartered Bank (Singapore) Limited (the "Bank") and its subsidiaries (the "Group"), which comprise the statements of financial position of the Group and the Bank as at 31 December 2024, the statements of profit or loss, the statements of comprehensive income and the statements of changes in equity of the Group and the Bank and the consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, the statement of profit or loss, the statement of comprehensive income and the statement of changes in equity of the Bank are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Bank as at 31 December 2024 and of the consolidated financial performance, the consolidated changes in equity and the consolidated cash flows of the Group, and of the financial performance and the changes in equity of the Bank for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

**Independent auditor's report
For the financial year ended 31 December 2024**

Independent auditor's report to the members of Standard Chartered Bank (Singapore) Limited and its subsidiaries

Key audit matters (cont'd)

Areas of focus	How our audit addressed the risk factors
Credit Impairment of Loans and Bills Receivable At 31 December 2024, the Group's loans and bills receivable comprised 52% of Total Assets. We have identified this as a key audit matter as the Group's expected credit loss ("ECL") calculations for loans and bills receivable involve significant judgements and estimates. <u>(a) Non-impaired credit exposures</u> In respect of non-impaired credit exposures, areas where we have identified with greater levels of management judgement are: - the selection of economic scenarios and corresponding probability weightages applied; - the significant increase in credit risk ("SICR") determination criteria; - the PD, LGD, and EAD model assumptions; and - the post model adjustments and management overlays to the model-driven ECL results to address model limitations or risk events.	<u>(a) Non-impaired credit exposures</u> We obtained an understanding, evaluated the design, and tested the operating effectiveness of the relevant key manual or automated controls related to the Group's ECL computation processes with a focus on: - the completeness and accuracy of data inputs into the ECL calculation system; - the governance and validation of models; - the selection and implementation of multiple economic scenarios and probabilities; - the staging of credit exposures based on the Group's SICR criteria; and - the governance over post model adjustments and management overlays. We involved our internal modelling specialists in performing the following procedures for a sample of portfolios: - independently reviewed the model validation results; - evaluated the reasonableness of the probabilities of default ("PD"), loss given default ("LGD") and exposure at default ("EAD") models by performing desktop review, model implementation testing, model reperformance testing, model assumption testing, sensitivity analyses, benchmarking, and back-testing; and - evaluated the Group's assessment of SICR. We involved our internal economists in performing the following procedures for a sample of portfolios: - assessed the appropriateness of macroeconomic variables and key assumptions used in economic scenarios; and - evaluated the reasonableness of the multiple economic scenarios and corresponding probabilities applied by benchmarking to other financial institutions. We also assess the appropriateness of management's rationale for post model adjustments and management overlays to address model limitations or risk events and evaluated the calculation of the post model adjustments and management overlays by challenging key assumptions underpinning the calculation.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

**Independent auditor's report
For the financial year ended 31 December 2024**

Independent auditor's report to the members of Standard Chartered Bank (Singapore) Limited and its subsidiaries

Key audit matters (cont'd)

Areas of focus	How our audit addressed the risk factors
Credit Impairment of Loans and Bills Receivable (cont'd) <i>(b) <u>Impaired credit exposures</u></i> In respect of impaired credit exposures, expected credit loss for loans and bills receivables is considered to be a matter of significance as it requires the application of judgement and use of subjective assumptions by management in estimating future recoverable amount.	<i>(b) <u>Impaired credit exposures</u></i> We obtained an understanding, evaluated the design, and tested the operating effectiveness of the relevant key manual or automated controls related to the Group's impaired credit exposures ECL estimation process with a focus on: • Stressed Assets Group ("SAG") and Stressed Assets Risk ("SAR") processes for identifying impairment indicators and consequently, the grading of loans; • the monitoring and management of SAG and SAR loans and underlying collaterals; and • the assessment and calculation of credit impairment. We considered the magnitude of the credit exposures, macroeconomic factors, and industry trends in our audit sampling, and extended our audit coverage over customers in vulnerable sectors such as industries affected by the Russia-Ukraine war including Oil and Gas, Agriculture, Commodities and Commercial Real Estate. For a sample of portfolios, as part of our credit reviews of selected borrowers, we evaluated and assessed the appropriateness of credit gradings and reasonableness of the staging allocation of the borrowers against the criteria in accordance with SFRS(I) 9. To test credit monitoring which largely drives the probability of default estimates used in the staging calculation, we challenged the risk ratings for a sample of performing accounts and other accounts exhibiting risk characteristics such as financial difficulties, deferment of payment, late payment, and watchlist. For a sample of impaired credit exposures, we performed the following procedures: • assessed management's forecasts of future recoverable amount which include, but not limited to, the timing and amount of projected cash flow in each recovery scenarios, and the corresponding weightages applied, and analysed that the effects of significant events have been reflected in these assumptions. Where possible, for the underlying collateral, we compared the valuation to external evidence such as valuation reports and/or involved our internal valuation team for independence assessment of the fair valuation; and • considered the customers' latest developments through adverse news search and/or publicly available information.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Independent auditor's report For the financial year ended 31 December 2024

Independent auditor's report to the members of Standard Chartered Bank (Singapore) Limited and its subsidiaries

Other information

Management is responsible for other information. The other information comprises the general information and directors' statement, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Independent auditor's report For the financial year ended 31 December 2024

Independent auditor's report to the members of Standard Chartered Bank (Singapore) Limited and its subsidiaries

Auditor's responsibilities for the audit of the financial statements (cont'd)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Bank and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.



Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

19 March 2025

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Statements of financial position As at 31 December 2024

	Note	Group 2024 S\$'000	2023 S\$'000	Bank 2024 S\$'000	2023 S\$'000
Assets					
Cash and balances with central banks		29,295,810	30,238,904	28,193,055	29,145,011
Singapore government securities and treasury bills	4	16,492,769	5,127,973	13,693,285	3,788,933
Other government securities and treasury bills	5	10,085,822	8,546,612	4,941,703	4,409,298
Investment securities	6	6,808,573	7,611,053	6,534,833	6,995,464
Derivative financial instruments	7	6,101,190	4,110,129	5,055,556	3,185,753
Loans and advances to banks	8	9,268,495	12,635,588	6,161,372	9,637,630
Loans and advances to customers	9	74,417,647	68,242,819	60,206,908	55,327,408
Bills receivable	10	10,178,688	8,467,932	8,988,137	6,815,341
Amounts due from intermediate holding company and its branches	12	10,711,726	12,890,434	10,359,764	11,828,885
Amounts due from related corporations	13	865,135	397,815	801,916	315,275
Amount due from subsidiaries	14	—	—	4,758,178	380,574
Other assets	15	6,393,452	6,182,389	5,502,889	5,583,731
Assets held for sale	16	70,765	26,294	70,765	25,219
Current tax assets		19,253	12,987	—	—
Deferred tax assets	26	55,780	53,484	—	—
Property and equipment	17	383,106	414,633	341,446	368,800
Investment in associates	18	89,514	77,363	72,509	66,092
Investment in subsidiaries	19	—	—	3,575,604	3,464,603
Goodwill and intangible assets	20	1,006,891	1,023,584	767,895	786,107
Total assets		182,244,616	166,059,993	160,025,815	142,124,124
Liabilities					
Deposits and balances of banks	21	5,765,692	7,139,298	4,951,061	6,348,746
Deposits of non-bank customers	22	135,126,662	126,327,049	110,243,920	103,094,205
Structured notes and deposits	23	2,479,580	889,773	2,129,765	691,601
Derivative financial instruments and other trading liabilities	7	6,530,000	4,999,850	5,139,974	3,830,646
Bills and drafts payable		2,628,823	2,345,432	2,396,990	2,147,375
Amounts due to intermediate holding company and its branches	12	4,618,677	3,677,528	4,222,319	3,269,041
Amounts due to related corporations	13	3,140,709	1,499,075	1,545,239	379,613
Amounts due to subsidiaries	14	—	—	8,170,194	4,263,247
Current tax payable		227,558	252,253	223,514	245,499
Other liabilities	24	5,724,780	4,098,092	5,087,656	3,345,817
Subordinated notes	25	3,738,019	3,568,810	3,585,998	3,149,254
Deferred tax liabilities	26	66,051	74,503	66,051	74,503
Total liabilities		170,046,551	154,871,663	147,762,681	130,839,547
Equity					
Share capital	27	8,771,638	9,521,638	8,771,638	9,521,638
Other equity instrument	27	750,000	—	750,000	—
Reserves	27	227,663	35	398,241	255,794
Retained earnings		2,343,505	1,598,062	2,343,255	1,507,145
Total parent company shareholders' equity		12,092,806	11,119,735	12,263,134	11,284,577
Non-controlling interests		105,259	68,595	—	—
Total equity		12,198,065	11,188,330	12,263,134	11,284,577
Total equity and liabilities		182,244,616	166,059,993	160,025,815	142,124,124

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

**Statements of profit or loss
For the financial year ended 31 December 2024**

		Group		Bank	
	Note	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Interest income	31	6,512,009	6,150,142	5,413,121	5,100,708
Interest expense	31	(4,791,799)	(3,846,559)	(4,391,281)	(3,455,593)
Net interest income		1,720,210	2,303,583	1,021,840	1,645,115
Fee and commission income	32	1,883,997	1,492,630	1,633,069	1,265,207
Fee and commission expense	32	(717,225)	(568,654)	(593,921)	(468,606)
Net fee and commission income		1,166,772	923,976	1,039,148	796,601
Dividend income		608	806	239,976	202,599
Dealing and foreign exchange income	33	2,074,738	1,592,986	1,723,245	1,245,800
Other income	34	(7,395)	(15,194)	(17,448)	(30,189)
Total non-interest income		3,234,723	2,502,574	2,984,921	2,214,811
Income before operating expenses		4,954,933	4,806,157	4,006,761	3,859,926
Staff costs	35	(1,611,111)	(1,462,470)	(1,286,743)	(1,143,046)
Other operating expenses	36	(1,501,173)	(1,335,917)	(878,407)	(760,373)
Total operating expenses		(3,112,284)	(2,798,387)	(2,165,150)	(1,903,419)
Operating profit before impairment loss		1,842,649	2,007,770	1,841,611	1,956,507
Impairment losses	37	(216,471)	(89,336)	(87,794)	(66,896)
Operating profit after impairment loss		1,626,178	1,918,434	1,753,817	1,889,611
Profit from associates		5,753	5,119	—	—
Profit before income tax		1,631,931	1,923,553	1,753,817	1,889,611
Income tax expense	38	(213,504)	(301,261)	(167,993)	(219,539)
Profit for the year		1,418,427	1,622,292	1,585,824	1,670,072
Profit attributable to:					
Non-controlling interests		(37,359)	(51,255)	—	—
Parent company shareholders		1,455,786	1,673,547	1,585,824	1,670,072
Profit for the year		1,418,427	1,622,292	1,585,824	1,670,072

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

**Statements of comprehensive income
For the financial year ended 31 December 2024**

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Profit for the year	1,418,427	1,622,292	1,585,824	1,670,072
<i>Other comprehensive income</i>				
Items that will not be reclassified to profit or loss:				
Own credit adjustments on financial liabilities designated at fair value through profit or loss (net of tax)	(33)	(1,376)	382	(748)
Actuarial gain	639	441	–	–
	606	(935)	382	(748)
Items that may be reclassified subsequently to statement of profit or loss:				
Exchange translation differences	240,014	(186,589)	124,438	(58,322)
Financial assets measured at fair value through other comprehensive income:				
- Net change in fair value	41,995	54,289	30,468	32,315
- Net amount reclassified to profit or loss	4,034	(21,641)	3,906	(21,496)
- Net change in deferred tax	(7,018)	(5,038)	(4,615)	(248)
Cash flow hedges:				
- Net change in fair value	(38,145)	27,810	(35,069)	27,689
- Net amount reclassified to profit or loss	171	15,297	(1,864)	18,272
- Net change in deferred tax	5,246	(5,646)	4,986	(6,204)
Share of comprehensive income of an associate	383	(142)	–	–
	246,680	(121,660)	122,250	(7,994)
Total comprehensive income for the year	1,665,713	1,499,697	1,708,456	1,661,330
Total comprehensive income attributable to:				
Non-controlling interests	(37,257)	(51,376)	–	–
Parent company shareholders	1,702,970	1,551,073	1,708,456	1,661,330
Total comprehensive income for the year	1,665,713	1,499,697	1,708,456	1,661,330

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

**Statements of changes in equity
For the financial year ended 31 December 2024**

Group	Note	Share capital S\$'000	Other equity instrument S\$'000	Exchange translation reserve S\$'000	Fair value through other comprehensive income reserve S\$'000	Cash flow hedge reserve S\$'000	Own credit adjustment reserve S\$'000	Regulatory loss allowance reserve S\$'000	Retained earnings S\$'000	Parent company shareholders' equity S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
At 1 January 2024		9,521,638	—	(469,100)	(27,184)	17,675	336	478,308	1,598,062	11,119,735	68,595	11,188,330
Preference Shares Redemption	27	(750,000)	—	—	—	—	—	—	—	(750,000)	—	(750,000)
Issuance of perpetual capital securities	27	—	750,000	—	—	—	—	—	—	750,000	—	750,000
Shares issued by subsidiary to non-controlling interest		—	—	—	—	—	—	—	—	—	74,000	74,000
Total comprehensive income for the year		—	—	—	—	—	—	—	1,455,786	1,455,786	(37,359)	1,418,427
Other comprehensive income		—	—	239,964	—	—	—	—	—	239,964	50	240,014
Translation differences		—	—	—	—	—	—	—	—	—	—	—
Financial assets measured at fair value through other comprehensive income reserve:		—	—	—	—	—	—	—	—	—	—	—
- Net change in fair value		—	—	—	41,942	—	—	—	—	41,942	53	41,995
- Net amount reclassified to profit or loss		—	—	—	4,034	—	—	—	—	4,034	—	4,034
- Net change in deferred tax		—	—	—	(7,016)	—	—	—	—	(7,016)	(2)	(7,018)
Cash flow hedges:		—	—	—	—	—	—	—	—	—	—	—
- Net change in fair value		—	—	—	—	(37,762)	—	—	—	(37,762)	—	(37,762)
- Net amount reclassified to profit or loss		—	—	—	—	171	—	—	—	171	—	171
- Net change in deferred tax		—	—	—	—	5,246	—	—	—	5,246	—	5,246
Own credit adjustment reserve:		—	—	—	—	—	—	—	—	—	—	—
- Net change in fair value		—	—	—	—	—	(78)	—	—	(78)	—	(78)
- Net change in deferred tax		—	—	—	—	—	45	—	—	45	—	45
Actuarial gain		—	—	—	—	—	—	—	638	638	1	639
Total comprehensive income for the year		—	—	239,964	38,960	(32,345)	(33)	—	1,456,424	1,702,970	(37,257)	1,665,713
Minimum regulatory loss allowance		—	—	—	—	—	—	—	18,918	—	—	—
Distribution to owner		—	—	—	—	—	—	(18,918)	—	—	—	—
Ordinary dividends paid to the shareholders of the Bank	27	—	—	—	—	—	—	—	(590,820)	(590,820)	—	(590,820)
One-tier tax exempt dividend of non-cumulative redeemable preference shares	27	—	—	—	—	—	—	—	(139,079)	(139,079)	—	(139,079)
Ordinary dividends paid to non-controlling interest		—	—	—	—	—	—	—	—	—	(79)	(79)
At 31 December 2024		8,771,638	750,000	(229,136)	11,776	(14,670)	303	459,390	2,343,505	12,092,806	105,259	12,198,065

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Statements of changes in equity
For the financial year ended 31 December 2024

Group	Note	Share capital S\$'000	Exchange translation reserve S\$'000	Fair value through other comprehensive income reserve S\$'000	Cash flow hedge reserve S\$'000	Own credit adjustment reserve S\$'000	Regulatory loss allowance reserve S\$'000	Retained earnings S\$'000	Parent company shareholders' equity S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
At 1 January 2023		9,121,638	(282,511)	(47,556)	(19,647)	1,712	485,033	1,701,181	10,959,850	76,044	11,035,894
Shares issued, net of expenses	27	400,000	—	—	—	—	—	—	400,000	—	400,000
Shares issued by subsidiary to non-controlling interest	27	—	—	—	—	—	—	—	—	44,000	44,000
<i>Total comprehensive income for the year</i>											
Profit for the year		—	—	—	—	—	—	1,673,547	1,673,547	(51,255)	1,622,292
<i>Other comprehensive income</i>											
Translation differences		—	(186,589)	—	—	—	—	—	(186,589)	—	(186,589)
Financial assets measured at fair value through other comprehensive income reserve:											
- Net change in fair value		—	—	54,408	—	—	—	—	54,408	(119)	54,289
- Net amount reclassified to profit or loss		—	—	(21,641)	—	—	—	—	(21,641)	—	(21,641)
- Net change in deferred tax		—	—	(5,038)	—	—	—	—	(5,038)	—	(5,038)
Cash flow hedges:											
- Net change in fair value		—	—	—	27,672	—	—	—	27,672	(4)	27,668
- Net amount reclassified to profit or loss		—	—	—	15,297	—	—	—	15,297	—	15,297
- Net change in deferred tax		—	—	—	(5,647)	—	—	—	(5,647)	1	(5,646)
Own credit adjustment reserve:											
- Net change in fair value		—	—	—	—	(1,476)	—	—	(1,476)	—	(1,476)
- Net change in deferred tax		—	—	—	—	100	—	—	100	—	100
Actuarial gain		—	—	—	—	—	—	440	440	1	441
Total comprehensive income for the year		—	(186,589)	27,729	37,322	(1,376)	—	1,673,987	1,551,073	(51,376)	1,499,697
<i>Other movements</i>											
Transfers		—	—	(7,357)	—	—	—	7,357	—	—	—
Minimum regulatory loss allowance		—	—	—	—	—	(6,725)	6,725	—	—	—
Distribution to owner											
Ordinary dividends paid to the shareholders of the Bank	27	—	—	—	—	—	—	(1,676,991)	(1,676,991)	—	(1,676,991)
One-tier tax exempt dividend of non-cumulative redeemable preference shares	27	—	—	—	—	—	—	(114,197)	(114,197)	—	(114,197)
Ordinary dividends paid to non-controlling interest		—	—	—	—	—	—	—	—	(73)	(73)
At 31 December 2023		9,521,638	(469,100)	(27,184)	17,675	336	478,308	1,598,062	11,119,735	68,595	11,188,330

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Statements of changes in equity
For the financial year ended 31 December 2024

Bank	Note	Share capital S\$'000	Other equity instrument S\$'000	Exchange translation reserve S\$'000	Fair value through other comprehensive income reserve S\$'000	Cash flow hedge reserve S\$'000	Own credit adjustment reserve S\$'000	Regulatory allowance loss S\$'000	Retained earnings S\$'000	Total equity S\$'000
At 1 January 2024		9,521,638	—	(166,623)	(18,407)	17,652	371	422,801	1,507,145	11,284,577
Preference Shares Redemption	27	(750,000)	—	—	—	—	—	—	—	(750,000)
Issuance of perpetual capital securities	27	—	750,000	—	—	—	—	—	—	750,000
<i>Total comprehensive income for the year</i>										
Profit for the year		—	—	—	—	—	—	—	1,585,824	1,585,824
Other comprehensive income		—	—	—	—	—	—	—	—	—
Translation differences		—	—	124,438	—	—	—	—	—	124,438
Financial assets measured at fair value through other comprehensive income reserve:										
- Net change in fair value		—	—	—	30,468	—	—	—	—	30,468
- Net amount reclassified to profit or loss		—	—	—	3,906	—	—	—	—	3,906
- Net change in deferred tax		—	—	—	(4,615)	—	—	—	—	(4,615)
Cash flow hedges:										
- Net change in fair value		—	—	—	—	(35,069)	—	—	—	(35,069)
- Net amount reclassified to profit or loss		—	—	—	—	(1,864)	—	—	—	(1,864)
- Net change in deferred tax		—	—	—	—	4,986	—	—	—	4,986
Own credit adjustment:										
- Net change in fair value		—	—	—	—	—	442	—	—	442
- Net change in deferred tax		—	—	—	—	—	(60)	—	—	(60)
Total comprehensive income for the year		—	—	124,438	29,759	(31,947)	382	—	1,585,824	1,708,456
Minimum regulatory loss allowance		—	—	—	—	—	—	19,815	(19,815)	—
Distribution to owner		—	—	—	—	—	—	—	—	—
Ordinary dividends paid to the shareholders of the bank	27	—	—	—	—	—	—	—	(590,820)	(590,820)
One-tier tax exempt dividend of non-cumulative redeemable preference shares	27	—	—	—	—	—	—	—	(139,079)	(139,079)
Distribution to non-controlling interest		—	—	—	—	—	—	—	—	—
At 31 December 2024		8,771,638	750,000	(42,185)	11,352	(14,295)	753	442,616	2,343,255	12,263,134

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Statements of changes in equity
For the financial year ended 31 December 2024

Bank	Note	Share capital S\$'000	Exchange translation reserve S\$'000	Fair value through other comprehensive income reserve S\$'000	Cash flow hedge reserve S\$'000	Own credit adjustment reserve S\$'000	Regulatory allowance reserve S\$'000	Retained earnings S\$'000	Total equity S\$'000
At 1 January 2023		9,121,638	(108,301)	(21,621)	(22,105)	1,119	422,561	1,621,144	11,014,435
Shares issued	27	400,000	—	—	—	—	—	—	400,000
<i>Total comprehensive income for the year</i>									
Profit for the year		—	—	—	—	—	—	1,670,072	1,670,072
<i>Other comprehensive income</i>									
Translation differences		—	(58,322)	—	—	—	—	—	(58,322)
Financial assets measured at fair value through other comprehensive income reserve:									
- Net change in fair value		—	—	32,315	—	—	—	—	32,315
- Net amount reclassified to profit or loss		—	—	(21,496)	—	—	—	—	(21,496)
- Net change in deferred tax		—	—	(248)	—	—	—	—	(248)
Cash flow hedges:									
- Net change in fair value		—	—	—	27,689	—	—	—	27,689
- Net amount reclassified to profit or loss		—	—	—	18,272	—	—	—	18,272
- Net change in deferred tax		—	—	—	(6,204)	—	—	—	(6,204)
Own credit adjustment:									
- Net change in fair value		—	—	—	—	(783)	—	—	(783)
- Net change in deferred tax		—	—	—	—	35	—	—	35
Total comprehensive income for the year		—	(58,322)	10,571	39,757	(748)	—	1,670,072	1,661,330
<i>Other movements</i>									
Transfers		—	—	(7,357)	—	—	—	7,357	—
Minimum regulatory loss allowance		—	—	—	—	—	240	(240)	—
Distribution to owner		—	—	—	—	—	—	—	—
Ordinary dividends paid to the shareholders of the bank	27	—	—	—	—	—	—	(1,676,991)	(1,676,991)
One-tier tax exempt dividend of non-cumulative redeemable preference shares	27	—	—	—	—	—	—	(114,197)	(114,197)
At 31 December 2023		9,521,638	(166,623)	(18,407)	17,652	371	422,801	1,507,145	11,284,577

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

**Consolidated cash flow statement
For the financial year ended 31 December 2024**

	Note	Group 2024 S\$'000	2023 S\$'000
Cash flows from operating activities			
Profit before income tax		1,631,931	1,923,553
Adjustments for:			
Amortisation of intangible assets	20	184,406	169,313
Losses on disposal of securities measured at fair value through other comprehensive income	34	28,387	26,483
Losses on disposal of financial assets measured at amortised cost	34	5,697	21,621
Depreciation of property and equipment	17	75,135	69,310
Net impairment losses	37	216,471	89,336
Property and equipment written off		–	(21)
Intangible assets written off		103,185	–
Losses/(gains) on disposal of property held for sale		363	(10,385)
Gains on deemed disposal of an associate		(2,034)	–
Profit from associates		(5,753)	(5,119)
Operating cash flows before changes in working capital		2,237,788	2,284,091
Restricted cash balance		(403,677)	113,595
Investment and government securities and treasury bills classified as fair value through profit and loss		(602,556)	(3,966,850)
Loans and advances to banks		3,290,668	(5,721,045)
Bills receivable and loans and advances to customers		(7,562,827)	(1,178,696)
Derivative financial instruments		(1,980,183)	490,097
Amounts due from intermediate holding company and its branches		1,899,978	(5,853,872)
Amounts due from related corporations		(426,364)	246,161
Other assets		(188,322)	(880,778)
Deposits and balances of banks		(1,406,121)	515,873
Deposits of non-bank customers		8,017,374	11,796,743
Structured notes and deposits		1,575,629	8,111
Bills and drafts payable		275,947	534,879
Derivative financial instruments and other trading liabilities		1,461,633	(426,619)
Amounts due to intermediate holding company and its branches		925,716	(2,427,204)
Amounts due to related corporations		1,631,478	305,075
Other liabilities		1,598,469	46,362
Cash flows from operations		8,106,842	(6,398,168)
Income tax paid		(246,689)	(187,401)
Net cash flows generated from/(used in) operating activities		10,097,941	(4,301,478)
Cash flows from investing activities			
Proceeds from disposal of investment securities		25,775,169	35,048,156
Purchase of investment securities		(29,112,782)	(33,330,090)
Purchase of property and equipment		(11,879)	(16,079)
Disposal of property and equipment		–	115
Disposal of assets held for sale		699	12,809
Additions of intangible assets		(153,021)	(160,955)
Transfer of property and equipment from other entities		(101)	(993)
Transfer of intangible assets from other entities		(117,383)	(195,836)
Investments in associates		935	(828)
Net cash flows (used in)/generated from investing activities		(3,618,363)	1,356,299

Standard Chartered Bank (Singapore) Limited and its subsidiaries

**Consolidated cash flow statement
For the financial year ended 31 December 2024**

	Note	Group 2024 S\$'000	2023 S\$'000
Cash flows from financing activities			
Premises and equipment lease liability principal payment		(38,731)	(38,622)
Proceeds from issue of share capital	27	–	400,000
Proceeds from issue of perpetual capital securities	27	750,000	–
Redemption of preference share capital	27	(750,000)	–
Dividends paid on ordinary shares	27	(590,820)	(1,676,991)
Dividends paid on preference shares	27	(139,079)	(114,197)
Payment on redemption of subordinated notes	25	(276,035)	–
Proceeds from issue of subordinated notes	25	335,000	1,207,875
Investment from non-controlling interest		74,000	44,000
Net cash flows used in financing activities		(635,665)	(177,935)
Net increase/(decrease) in cash and cash equivalents		5,843,913	(3,123,114)
Cash and cash equivalents at beginning of year		38,605,214	41,940,947
Effect of exchange rate changes on cash		277,008	(212,619)
Cash and cash equivalents at end of year		44,726,135	38,605,214
Represented by:			
Cash and balances with central banks*		27,993,393	29,348,119
Loans and advances to banks and treasury bills		12,953,592	5,244,133
Money market balances with intermediate holding company and its branches and related corporations		3,779,150	4,012,962
		44,726,135	38,605,214

* Excluded minimum statutory cash balance of S\$1,302,417,000 (2023: S\$890,785,000) which is not available for use in the Group's day-to-day operations.

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements

For the financial year ended 31 December 2024

1. Corporate information

Standard Chartered Bank (Singapore) Limited (the “Bank”) is incorporated in the Republic of Singapore and has its registered office at 8 Marina Boulevard, #27-01 Marina Bay Financial Centre, Singapore 018981. The Bank operates in Singapore under a full bank license and Qualifying Full Bank privileges granted by the Monetary Authority of Singapore.

The financial statements of the Group comprise the Bank and its subsidiaries (together referred to as the “Group”) and the Group’s interest in associates.

Standard Chartered Holdings (Singapore) Private Limited, a company incorporated in Singapore, holds 86.39% of the ordinary share capital of the Bank with Standard Chartered Bank holding the remaining 13.61%. Standard Chartered Bank is the intermediate holding company and Standard Chartered PLC (the “SC PLC”) is the ultimate holding company, both of which are incorporated in the United Kingdom.

2. Material accounting policy information

2.1 *Basis of preparation*

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

The financial statements have been prepared on historical cost basis except as disclosed in the accounting policies below. These financial statements are presented in Singapore dollars (“SGD” or “S\$”) which is the functional currency for the rest of the bank.

All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.2 *New accounting policies adopted*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards that are effective for annual periods beginning on or after 1 January 2024. The adoption of new and revised standards do not have a material effect on the Group’s financial statements.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2024

2. Material accounting policy information (cont'd)

2.3 *Standards issued but not yet effective*

The Group has not adopted the following standards that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 1-21 Lack of exchangeability	1 January 2025
Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to SFRS(I)s – Volume 11	1 January 2026
Amendments to SFRS(I) 9 and SFRS(I) 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
SFRS(I) 18 Presentation and Disclosure in Financial Statements	1 January 2027
SFRS(I) 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to SFRS(I) 10 and SFRS(I) 1-28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group expects the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2.4 *Changes in accounting policies adopted by the Group*

Effective interest rate ("EIR") for mortgage from blended EIR to discrete period

During the year, there was a change in the application of the effective interest method over the expected life to that of applying the effective interest method for discrete periods of interest for stepped rate mortgage loans. This is considered as a change in accounting policy. This approach provides more reliable and relevant information in the financial statements as it is aligned with the market rates applicable to the discrete periods. The impact of the change is considered immaterial to the prior period financials.

2.5 *Basis of consolidation*

(a) *Business combinations under common control*

The assets and liabilities acquired as part of the transfers of assets and liabilities in relation to businesses that are under the common control of the ultimate parent entity are recognised at the carrying amounts recognised previously in the financial statements of the transferor. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, together with the fair value of any contingent consideration payable.

The difference between the book value of net assets at acquisition date and the cost of investment is recognised under retained earnings in the consolidated financial statements of the acquirer.

In 2021, the subsidiaries which were transferred to the Bank under common control were Standard Chartered Bank (Malaysia) Berhad, Standard Chartered Bank (Thai) Public Company Limited and Standard Chartered Bank (Vietnam) Limited.

2. Material accounting policy information (cont'd)

2.5 Basis of consolidation (cont'd)

(b) Subsidiaries and non-controlling interests

Subsidiaries are all entities, including structured entities, which the Group controls. The Group controls an entity when it is exposed to, and has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee. The assessment of power is based on the Group's practical ability to direct the relevant activities of the entity unilaterally for the Group's own benefit and is subject to reassessment if and when one or more of the elements of control change. Subsidiaries are fully consolidated from the date on which the Group effectively obtains control. They are deconsolidated from the date that control ceases, and where any interest in the subsidiary remains, this is remeasured to its fair value and the change in carrying amount is recognised in the income statement. In the Bank's financial statements, investment in subsidiaries is held at cost less impairment.

Non-controlling interests are measured at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

(c) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity. Contractual arrangements determine the rights and therefore relevant activities of the structured entity. Structured entities are generally created to achieve a narrow and well-defined objective with restrictions around their activities. Structured entities are consolidated when the substance of the relationship between the Group and the structured entity indicates the Group has power over the contractual relevant activities of the structured entity, is exposed to variable returns, and can use that power to affect the variable return exposure.

(d) Investments in associate

An associate is an entity over which the Group has significant influence. Investments in associates are accounted for by the equity method of accounting.

The Group's share of its associates' post-acquisition profits or losses is recognised in the statement of profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in reserves. Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. At each reporting date, the Group assesses whether there is any objective evidence of impairment in the investment in associates.

In the Bank's financial statements, investments in associates are held at cost less impairment.

2. Material accounting policy information (cont'd)

2.6 Foreign currency translation

(a) Functional and presentational currency

The consolidated financial statements are presented in Singapore dollars. Items included in the financial statements are measured using the functional currency of each entity in the Group. The functional currency of each entity represents the currency in which transactions are predominantly denominated in the respective books and reflects the economic substance of the underlying events and circumstances relevant to the books.

Revised split for dual functional currencies

Since 1 January 2021, the Bank operates with the Corporate & Investment Banking ("CIB") segment having US\$ as its functional currency and the rest of the segments having S\$ as the functional currency.

In 2021, the Bank acquired the ownership of ASEAN & South Asia ("ASA") subsidiaries including Standard Chartered Bank (Malaysia) Berhad, Standard Chartered Bank (Thai) Public Company Limited and Standard Chartered Bank (Vietnam) Limited to form a holding company structure (a "Singapore Hub"). To hold the investment in these subsidiaries as its sole business activity, a Strategic Investment in ASA subsidiaries segment has been established and operates independently from the other business segments of the Bank. The functional currency of Strategic Investment in ASA subsidiaries is US\$.

(b) Foreign currency transactions and balances

Foreign currency transactions are translated to the respective functional currencies of the Bank's US\$ and S\$ books using the exchange rates at the transaction date. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in profit or loss.

Non-monetary assets and liabilities are translated at historical exchange rates if held at historical cost, or exchange rates at the reporting date if held at fair value, and the resulting foreign exchange gains and losses are recognised directly in profit or loss. Foreign currency differences arising on the translation of FVOCI equity instruments are recognised in other comprehensive income.

The Bank's US\$ book is translated to S\$ and is consolidated with the Bank's S\$ book to form the financial statements of the Bank. Assets and liabilities are translated at the rate of exchange ruling at the reporting date. Income and expenses for each item in the profit or loss or comprehensive income are translated at average exchange rates or at rates on the dates of the transactions where exchange rates fluctuate significantly. The resultant exchange difference is recognised directly in the exchange translation reserve.

On consolidation, the assets and liabilities in foreign operations are translated into S\$ at the spot rate of exchange prevailing at the reporting date and their income statements are translated at average exchange rates or at rates on the date of the transaction where exchange rates fluctuate significantly. The resulting exchange differences arising on translation for consolidation are recognised as a separate component of equity.

2. Material accounting policy information (cont'd)

2.7 Financial assets and liabilities (excluding derivatives)

Classification

The Group classifies its financial assets into the following measurement categories: (a) amortised cost, (b) fair value through other comprehensive income ("FVOCI"), and (c) fair value through profit or loss ("FVTPL").

Financial liabilities are classified as either held at FVTPL or at amortised cost. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition.

Management determines the classification of the Group's financial assets and liabilities at initial recognition or, where applicable, at the time of reclassification.

(a) Financial assets held at amortised cost and fair value through other comprehensive income

Debt instruments

Debt instruments are classified into these categories based on the business model within which they are held, and their contractual cash flow characteristics.

The Group makes an assessment of the objective of a business model in which an asset is held at the individual product business line, and where applicable within business lines depending on the way the business is managed and information is provided to management.

Factors considered include:

- how the performance of the product business line is evaluated and reported to the Group's management;
- how managers of the business model are compensated, including whether management is compensated based on the fair value of assets or the contractual cash flows collected;
- the risks that affect the performance of the business model and how those risks are managed; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity.

Debt instruments can only be held at amortised cost if the instruments are held in order to collect the contractual cash flows ("hold to collect"), and where those contractual cash flows are solely payments of principal and interest ("SPPI"). Principal represents the fair value of the instrument at the time of initial recognition. Interest in this context represents compensation for the time value of money and associated credit risks together with compensation for other risks and costs consistent with a basic lending arrangement and a profit margin. This requires an assessment at initial recognition of the contractual terms to determine whether it contains a term that could change the timing or amount of cash flows in a way that is inconsistent with the SPPI criteria.

2. Material accounting policy information (cont'd)

2.7 Financial assets and liabilities (excluding derivatives) (cont'd)

Classification (cont'd)

- (a) Financial assets held at amortised cost and fair value through other comprehensive income (cont'd)

Debt Instruments (cont'd)

Assets may be sold out of hold to collect portfolios where there is an increase in credit risk. Disposals for other reasons are permitted but such sales should be insignificant in value or infrequent in nature.

Debt instruments that have SPPI characteristics and where the business model objectives are achieved by collecting the contractual cash flows and by selling the assets ("hold to collect and sell") are held at FVOCI.

Equity instruments designated at FVOCI

Non-trading equity instruments acquired for strategic purposes rather than capital gain may be irrevocably designated at initial recognition at FVOCI on an instrument by instrument basis.

- (b) Financial assets and liabilities held at fair value through profit or loss

Financial assets and liabilities held at FVTPL are either mandatorily classified as fair value through profit or loss or irrevocably designated at fair value through profit or loss at initial recognition.

Financial assets which are not held at amortised cost or not held at FVOCI are held at FVTPL.

Financial assets may be designated at FVTPL only if doing so eliminates or reduces an accounting mismatch. The Group currently designates financial liabilities at fair value through profit or loss only on the basis that they contain a bifurcated embedded derivative and not as a result of an accounting mismatch.

- (c) Financial guarantee contracts and loan commitments

The Group issues financial guarantee contracts and loan commitments in return for fees. Under a financial guarantee contract, the Group undertakes to meet a customer's obligations under the terms of a debt instrument if the customer fails to do so. Loan commitments are firm commitments to provide credit under pre-specified terms and conditions.

Financial guarantee contracts and loan commitments issued at below market interest rates are initially recognised as liabilities at fair value, while financial guarantees and loan commitments issued at market rates are recorded off balance sheet. Subsequently, these instruments are measured at the higher of the expected credit loss allowance, and the amount initially recognised less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15 *Revenue from Contracts with Customers*.

2. Material accounting policy information (cont'd)

2.7 Financial assets and liabilities (excluding derivatives) (cont'd)

Initial recognition

Regular way purchases and sales of financial assets and liabilities held at fair value through profit or loss, and debt securities classified as financial assets held at FVOCI are initially recognised on the trade date (the date on which the Group commits to purchase or sell the asset). Loans and advances and other financial assets held at amortised cost are recognised on settlement date (the date on which cash is advanced to the borrowers).

All financial instruments are initially recognised at fair value, which is normally the transaction price, plus directly attributable transaction costs for financial assets that are not subsequently measured at fair value through profit or loss.

In certain circumstances, the initial fair value may be based on a valuation technique which may lead to the recognition of profits or losses at the time of initial recognition. However, these profits or losses can only be recognised when the valuation technique used is based solely on observable market inputs. In those cases where the initially recognised fair value is based on a valuation model that uses inputs which are not observable in the market, the difference between the transaction price and the valuation model is not recognised immediately in the profit or loss but is amortised or released to profit or loss as the inputs become observable, or the transaction matures or is terminated.

Subsequent measurement

Financial assets and financial liabilities held at amortised cost are subsequently carried at amortised cost using the effective interest method.

Financial assets held at FVTPL are subsequently carried at fair value, with gains and losses arising from changes in fair value taken directly to the dealing and foreign exchange income line in the profit or loss.

Financial liabilities designated at FVTPL are held at fair value, with changes in fair value recognised in the dealing and foreign exchange income line in the profit or loss, other than that attributable to changes in credit risk. Fair value changes attributable to credit risk are recognised in other comprehensive income and recorded in a separate category of equity unless this is expected to create or enlarge an accounting mismatch, in which case the entire change in fair value of the financial liability designated at FVTPL is recognised in profit or loss. There is no economic offset between fair value changes in own credit and the fair value changes in financial assets measured at fair value.

Debt instruments measured at FVOCI are subsequently carried at fair value, with gains and losses arising from changes in fair value recognised in other comprehensive income within equity until the asset is sold, or is impaired, where the cumulative gain or loss is transferred to profit or loss.

Equity investments designated at FVOCI are subsequently carried at fair value with all unrealised gains and losses arising from changes in fair value recognised in other comprehensive income within equity. On derecognition, the cumulative gain or loss is transferred to retained earnings and is not recycled to profit or loss.

2. Material accounting policy information (cont'd)

2.7 Financial assets and liabilities (excluding derivatives) (cont'd)

Derecognition of financial assets and liabilities

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Group has transferred substantially all risks and rewards of ownership. If substantially all the risks and rewards have been neither retained nor transferred and the Group has retained control, the assets continue to be recognised to the extent of the Group's continuing involvement.

Where financial assets have been modified, the modified terms are assessed on a qualitative and quantitative basis to determine whether a fundamental change in the nature of the instrument has occurred, such as whether the derecognition of the pre-existing instrument and the recognition of a new instrument is appropriate.

Financial liabilities are derecognised when they are extinguished. A financial liability is extinguished when the obligation is discharged, cancelled or expires and this is evaluated both qualitatively and quantitatively. Where a financial liability has been modified, it is derecognised if the difference between the modified cash flows and the original cash flows is more than 10 per cent, or if less than 10 percent, the Group will perform a qualitative assessment to determine whether the terms of the two instruments are substantially different.

Modified financial instruments

Financial assets and financial liabilities whose original contractual terms have been modified, including those loans subject to forbearance strategies, are considered to be modified instruments. Modifications may include changes to the tenor, cashflows and or interest rates, among other factors.

Where derecognition of financial assets is appropriate, the newly recognised residual loans are assessed to determine whether the assets should be classified as purchased or originated Credit-Impaired assets ("POCI").

Where derecognition is not appropriate, the gross carrying amount of the applicable instruments is recalculated as the present value of the renegotiated or modified contractual cashflows discounted at the original effective interest rate (or credit-adjusted effective interest rate for POCI financial assets). The difference between the recalculated values and the pre-modified gross carrying values of the instruments are recorded as a modification gain or loss in the profit or loss.

Gains and losses arising from modifications for credit reasons are recorded as part of 'Credit impairment'. Modification gains and losses arising for non-credit reasons are recognised either as part of Credit impairment or within income, depending on whether there has been a change in the Credit Risk on the financial asset subsequent to the modification. Modification gains and losses arising on financial liabilities are recognised within income.

2. Material accounting policy information (cont'd)

2.8 *Reclassification of financial assets and liabilities*

Financial liabilities are not reclassified subsequent to initial recognition. Reclassifications of financial assets are made when, and only when, the business model for those assets changes. Such changes are expected to be infrequent and arise as a result of significant external or internal changes such as the termination of a line of business or the purchase of a subsidiary whose business model is to realise the value of pre-existing held for trading financial assets through a hold to collect model.

2.9 *Derivative financial instruments and hedge accounting*

Derivatives are financial instruments that derive their value in response to changes in interest rates, financial instrument prices, commodity prices, foreign exchange rates, credit risk and indices. Derivatives are categorised as trading unless they are designated as hedging instruments.

All derivatives are initially recognised and subsequently measured at fair value, with all revaluation gains or losses recognised in profit and loss (except where cash flow or net investment hedging has been achieved, in which case the effective portion of changes in fair value is recognised within other comprehensive income). All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

Certain derivatives embedded in other financial instruments, such as the conversion option in a convertible bond held, are valued as separate derivatives when their economic characteristics and risks are not closely related to those of the host contract and the host contract is not carried at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the profit or loss. Embedded derivatives continue to be presented with the host contract and are not separately disclosed or included within derivatives.

The method of recognising the resulting fair value gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either: (a) hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedge) or (b) hedges of highly probable future cash flows attributable to a recognised asset or liability, or a forecasted transaction (cash flow hedge).

2. Material accounting policy information (cont'd)

2.9 Derivative financial instruments and hedge accounting (cont'd)

Hedge accounting is used for derivatives designated for hedging purpose, provided certain criteria are met.

The Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items. The Group applied IBOR reform Phase 2 reliefs in respect of hedging relationships directly affected by IBOR reform.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedging instruments are recorded in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of the hedged item for which the effective interest method is used is amortised to profit or loss over the period to maturity or derecognition.

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedging instruments is recognised in the cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts accumulated in reserves are reclassified to profit or loss in the period in which the hedged item affects profit or loss.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in reserves at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in reserves is immediately reclassified to profit or loss.

For interest rate benchmarks deemed in scope of IBOR reform, the Group will retain the cumulative gain or loss in the cash flow hedge reserve for designated cash flow hedges even though there is uncertainty arising from these reforms with respect to the timing and amount of the cash flows of the hedged items. Should the Group consider that the hedged future cash flows are no longer expected to occur due to reasons other than interest rate benchmark reform, the cumulative gain or loss will be immediately reclassified to profit or loss.

2.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported on the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2. Material accounting policy information (cont'd)

2.11 Impairment of financial assets

(a) Impairment of financial assets not held at FVTPL

Expected credit losses are recognised for financial assets that are debt instruments, loan commitments and financial guarantees that are not held as measured at FVTPL. Expected credit losses are not recognised for equity instruments.

An expected credit loss represents the present value of expected cash shortfalls over the residual term of a financial asset, undrawn commitment, or financial guarantee.

Expected credit losses are computed as unbiased, probability weighted amounts which are determined by evaluating a range of reasonably possible outcomes, the time value of money, and considering all reasonable and supportable information including that which is forward looking.

An expected credit loss allowance is recognised at the time of initial recognition in respect of default events that may occur over the next 12 months (stage 1 assets with allowances equivalent to 12-months expected credit losses). Expected credit loss continues to be determined on this basis until there is either a significant increase in credit risk ("SICR") or the asset becomes credit impaired. The Bank's policy on financial assets' credit risk, credit quality and expected credit loss allowance procedure are explained in Note 43.

Significant increase in credit risk is assessed by comparing the risk of default of an exposure at the reporting date to the risk of default at origination (after taking into account the passage of time). Significant does not mean statistically significant nor is it assessed in the context of changes in expected credit loss. Whether a change in the risk of default is significant or not is assessed using a number of quantitative and qualitative factors, the weight of which depends on the type of product and counterparty. Financial assets that are 30 or more days past due and not credit-impaired will always be considered to have experienced a significant increase in credit risk.

If a financial asset (or portfolio of financial assets) experiences a SICR since initial recognition, an expected credit loss allowance is recognised for default events that may occur over the lifetime of the asset (stage 2 assets with loss allowances equivalent to lifetime expected credit losses). SICR is assessed in the context of an increase in the risk of a default occurring over the remaining life of the financial instrument when compared to that expected at the time of initial recognition for the same period. It is not assessed in the context of an increase in the expected credit loss.

An asset is only considered credit impaired, and lifetime expected credit losses recognised, if there is observed objective evidence of impairment. These factors include, amongst other factors, assets in default, experiencing significant financial difficulty or subject to forbearance actions credit-impaired (stage 3 assets).

To the extent that assets are credit-impaired at the point of initial recognition, they are classified as purchased or originated credit-impaired ("POCI"). An expected credit loss allowance is not recognised at initial recognition. Any changes in lifetime expected losses after initial recognition are charged or credited to profit or loss through Impairment losses.

2. Material accounting policy information (cont'd)

2.11 *Impairment of financial assets (cont'd)*

(b) *Write-offs of credit impaired instruments and reversal of impairment*

To the extent a financial debt instrument is considered irrecoverable, the applicable portion of the gross carrying value is written off against the related loan allowance. Such loans are written off after all the necessary procedures have been completed, it is decided that there is no realistic probability of recovery and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of the allowance for loan impairment in the profit or loss. If, in a subsequent period, the amount of the credit impairment loss decreases and the decrease can be related objectively to an event occurring after the credit impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised credit impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in the profit or loss.

(c) *Forborne and modified loans*

Forborne loans are those loans that have been modified in response to a customer's financial difficulties. Forbearance strategies assist borrowers who are temporarily in financial distress and are unable to meet their original contractual repayment terms.

Forbearance can be initiated by the client, the Group or a third-party including government sponsored programmes or a conglomerate of credit institutions. Forbearance may include debt restructuring such as new repayment schedules, payment deferrals, tenor extensions, interest only payments, lower interest rates, forgiveness of principal, interest or fees, or relaxation of loan covenants.

Forborne loans that have been modified (and not derecognised) on terms that are not consistent with those readily available in the market and/or where the Group have granted a concession compared to the original terms of the loans are considered credit-impaired if there is a detrimental impact on cash flows. The modification loss is recognised in the profit or loss within credit impairment and the gross carrying value of the loan reduced by the same amount. The modified loan is disclosed as 'Loans subject to forbearance - credit-impaired'.

Loans that have been subject to a forbearance modification, but which are not considered credit-impaired, are disclosed as 'Forborne - not credit-impaired'. This may include amendments to covenants within the contractual terms.

2. Material accounting policy information (cont'd)

2.12 Deposits and balances of banks

These balances arise primarily from money market placements and deposits. These deposits are initially recognised at fair value, classified as liabilities held at amortised cost and subsequently stated at amortised cost using the effective interest method.

2.13 Deposits of non-bank customers

These deposits comprise current and time deposits. These deposits are initially recognised at fair value, classified as liabilities held at amortised cost and subsequently stated at amortised cost using the effective interest method.

2.14 Structured notes and deposits

Structured notes and deposits comprise equity and credit linked notes, rate and credit linked deposits and certificates of deposit issued by the Group. These notes and deposits are initially recognised at fair value. Subsequently, these notes and deposits are stated at amortised cost using the effective interest method or at fair value with gains and losses arising from changes in fair value taken directly to profit or loss.

2.15 Bills receivable and drafts payable

Bills receivable and bills and drafts payable are initially recognised at fair value and classified at amortised cost. Subsequently, these are carried and stated at amortised cost using the effective interest method.

2.16 Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of any tax from the proceeds.

Preference shares

Preference shares are classified as equity if it is non-redeemable, or redeemable only at the Group's option, and any dividends are discretionary. Discretionary dividends thereon are recognised as distributions within equity upon approval by the Group's Board.

2. Material accounting policy information (cont'd)

2.17 Employee benefits

Share based compensation

The Group operates equity-settled and cash-settled share-based compensation plans.

The fair value of the employee services (measured by the fair value of the awards granted) received in exchange for the grant of the shares and awards is recognised as an expense. For deferred share awards granted as part of an annual performance award, the expense is recognised over the period from the start of the performance period to the vesting date. For example, the expense for three-year awards granted in 2024 in respect of 2023 performance, which vest in 2025-2027, is recognised as an expense over the period from 1 January 2023 to the vesting dates in 2025-2027. For all other awards, the expense is recognised over the period from the date of grant to the vesting date.

For equity-settled awards, the total amount to be expensed over the vesting period is determined by reference to the fair value of the shares and awards at the date of grant, which excludes the impact of any non-market vesting conditions (for example, profitability and growth targets). The fair value of equity instruments granted is based on market prices, if available, at the date of grant. In the absence of market prices, the fair value of the instruments is estimated using an appropriate valuation technique, such as a binomial option pricing model. Non-market vesting conditions are included in assumptions for the number of shares and awards that are expected to vest.

At each balance sheet date, the Group revises its estimates of the number of shares and awards that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the income statement and a corresponding adjustment to equity over the remaining vesting period. Forfeitures prior to vesting attributable to factors other than the failure to satisfy service conditions and non-market vesting conditions are treated as a cancellation and the remaining unamortised charge is debited to the income statement at the time of cancellation. The proceeds received net of any directly attributable transaction costs are credited to amounts due to the intermediate holding company when the options are exercised.

Cash-settled awards are revalued at each balance sheet date and a liability recognised on the balance sheet for all unpaid amounts, with any changes in fair value charged or credited to staff costs in the income statement until the awards are exercised. Where forfeitures occur prior to vesting that are attributable to factors other than a failure to satisfy service conditions or market-based performance conditions, the cumulative charge incurred up to date of forfeiture is credited to the income statement.

Share-based payments involve judgement and estimation uncertainty exists when determining the expenses and carrying values of share awards at the balance sheet date.

- Long Term Incentive Plan ("LTIP") awards are determined using an estimation of the probability of meeting certain metrics over a three-year performance period using the Monte Carlo simulation model.
- Deferred shares and restricted shares are determined using an estimation of expected dividends.
- Sharesave Plan valuations are determined using a binomial option-pricing model.

2. Material accounting policy information (cont'd)

2.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Where a liability arises based on participation in a market at a specified date, the obligation is recognised in the financial statements on that date and is not accrued over the period.

2.19 Taxation

Current income tax

Income tax payable on profits is recognised as an expense in the period in which the profits arise. The tax effects of income tax losses available for carry forward are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised.

Deferred tax

Deferred tax is recognised in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted as at the reporting date, and that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Current and deferred tax relating to items which are charged or credited directly to reserves, is credited or charged directly to reserves and is subsequently recognised in the profit or loss together with the current or deferred gain or loss.

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

2.20 Subordinated notes

Subordinated notes are carried at amortised cost.

2. Material accounting policy information (cont'd)

2.21 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances with central bank, loans and advances to banks, bank overdrafts, nostro and money market deposits with intermediate holding company and its branches and related corporations, which are payable on demand or at short notice and treasury bills maturing within 3 months from the date of acquisition. Cash and bank balances with central bank excludes amounts held for regulatory liquidity reserves.

2.22 Singapore and other government securities, treasury bills and debt securities

Singapore and other government securities, treasury bills and debt securities held for dealing and non-dealing purposes are classified as either at amortised cost, FVTPL or FVOCI.

2.23 Loans and advances to banks

Loans and advances to banks are either classified at amortised cost net of any applicable impairment allowances or held at FVTPL.

2.24 Loans and advances to customers

Loans and advances to customers are either classified at amortised cost net of any applicable impairment allowances or held at FVTPL.

2.25 Leases

The Group assesses whether a contract is a lease in scope of this policy by determining whether the contract gives it the right to use a specified underlying physical asset for a lease term greater than 12 months, unless the underlying assets is of low value.

Where the Group is a lessee and the lease is deemed in scope, it recognises a liability equal to the present value of lease payments over the lease term, discounted using the incremental borrowing rate applicable in the economic environment of the lease. The liability is recognised in 'Other liabilities'. A corresponding right-of-use asset equal to the liability, adjusted for any lease payments made at or before the commencement date, is recognised in 'Property and equipment'. The lease term includes any extension options contained in the contract that the Group is reasonably certain it will exercise.

The Group subsequently depreciates the right-of-use asset using the straight-line method over the lease term and measures the lease liability using the effective interest method. Depreciation on the asset is recognised in 'Depreciation', and interest on the lease liability is recognised in 'Interest expense'.

An impairment loss is recognised if the right-of-use asset, or portion thereof, has a carrying value in excess of its value-in-use when taking into account factors such as the ability and likelihood of obtaining a subtenant.

2. Material accounting policy information (cont'd)

2.26 *Property and equipment*

All property and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Depreciation is calculated from the later of the date of acquisition or the date the asset is available for use, or in respect of projects in progress, from the date that the asset is completed and ready for its intended use.

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

- Leasehold premises: period of lease, up to 50 years
- Renovation at premises: between 10 years to period of lease, up to 50 years
- Furniture and fixtures: 3 to 5 years
- Computer and office equipment: 3 to 5 years
- Leased premises: period of lease

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. At each reporting date, these assets are also assessed for indicators of impairment. In the event that an asset's carrying amount is determined to be greater than its recoverable amount, the asset is written down immediately to the recoverable amount. Recoverable amount is the higher of an asset's fair value less cost to sell and its value in use.

Gains and losses on disposals are included in the profit or loss.

2. Material accounting policy information (cont'd)

2.27 Goodwill and intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the identifiable net assets and contingent liabilities of the acquiree at the date of acquisition. Goodwill is included in intangible assets and assessed at each reporting date for impairment and carried at cost less any accumulated impairment losses. Goodwill is allocated to cash generating units for the purpose of impairment testing. Cash generating units represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

Acquired intangibles

At the date of acquisition of a subsidiary or associate, intangible assets which are deemed separable and that arise from contractual or other legal rights are capitalised and included within the net identifiable assets acquired. These intangible assets are initially measured at fair value, which reflects market expectations of the probability that the future economic benefits embodied in the asset will flow to the entity, and are amortised on the basis of their expected useful lives (4 to 16 years). At each reporting date, these assets are assessed for indicators of impairment. In the event that an asset's carrying amount is determined to be greater than its recoverable amount, the asset is written down immediately.

Capitalised software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Internally generated software represents substantially all of the total software capitalised. Direct costs of the development of separately identifiable internally generated software are capitalised where it is probable that future economic benefits attributable to the asset will flow from its use (internally generated software). These costs include salaries and wages, materials, service providers and contractors, and directly attributable overheads. Costs incurred in the ongoing maintenance of software are expensed immediately when incurred. Internally generated software is amortised over a three to ten year time period. On an annual basis software assets' residual values and useful lives are reviewed, including assessing for indicators of impairment. Indicators of impairment include loss of business relevance, obsolescence of asset, exit of the business to which the software relates, technological changes, change in use of the asset, reduction in useful life, plans to reduce usage or scope.

For capitalised software, judgement is required to determine which costs relate to research (and therefore expensed) and which costs relate to development (capitalised). Further judgement is required to determine the technical feasibility of completing the software such that it will be available for use. Estimates are used to determine how the software will generate probable future economic benefits, these estimates include: cost savings, income increases, balance sheet improvements, improved functionality or improved asset safeguarding.

2. Material accounting policy information (cont'd)

2.28 *Commodities*

Commodities represents physical holdings where the Group has title and exposure to the market risk associated with the holding. Commodities are measured at fair value with the fair value derived from observable spot or short-term futures prices from relevant exchanges.

2.29 *Reverse repurchase and repurchase agreements*

The Group purchases securities (a reverse repurchase agreement – “reverse repo”) typically with financial institutions subject to a commitment to resell or return the securities at a predetermined price. These securities are not included in the balance sheet as the Group does not acquire the risks and rewards of ownership, however they are recorded off-balance sheet as collateral received. Consideration paid (or cash collateral provided) is accounted for as a loan asset at amortised cost unless it is managed on a fair value basis or designated at fair value through profit or loss. In majority of cases through the contractual terms of a reverse repo arrangement, the Group as the transferee of the security collateral has the right to sell or repledge the asset concerned.

The Group also sells securities (a repurchase agreement – “repo”) subject to a commitment to repurchase or redeem the securities at a predetermined price. The securities are retained on the balance sheet as the Group retains substantially all the risks and rewards of ownership and these securities are disclosed as pledged collateral. Consideration received (or cash collateral received) is accounted for as a financial liability at amortised cost unless it is either mandatorily classified as fair value through profit or loss or irrevocably designated at fair value through profit or loss at initial recognition.

2.30 *Interest income and expense*

Interest income for financial assets held at fair value through other comprehensive income or amortised cost, and interest expense on all financial liabilities held at amortised cost is recognised in profit or loss using the effective interest method.

The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument (for example prepayment options) but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. For floating-rate financial instruments, periodic re-estimation of cash flows that reflect the movements in the market rates of interest alters the effective interest rate.

Where the estimates of cash flows have been revised, the carrying amount of the financial asset or liability is adjusted to reflect the actual and revised cash flows, discounted at the instrument's original effective interest rate. The adjustment is recognised as interest income or expense in the period in which the revision is made as long as the change in estimates is not due to credit issues.

2. Material accounting policy information (cont'd)

2.30 Interest income and expense (cont'd)

Interest income for financial assets that are either held at fair value through other comprehensive income or amortised cost that have become credit impaired subsequent to initial recognition (Stage 3) and have had amounts written off, is recognised using the credit adjusted effective interest rate. This rate is calculated in the same manner as the effective interest rate except that expected credit losses are included in the expected cash flows. Interest income is therefore recognised on the amortised cost of the financial asset including expected credit losses. Should the credit risk on a Stage 3 financial asset improve such that the financial asset is no longer considered credit impaired, interest income recognition reverts to a computation based on the rehabilitated gross carrying value of the financial asset.

2.31 Fee and commission

Fee and commission charged for services provided by the Group are recognised as or when the service is completed or significant act performed. The performance obligations, as well as the timing of their satisfaction, are identified, and determined, at the inception of the contract.

2.32 Dealing and foreign exchange income

Dealing and foreign exchange income comprise gains/losses relating to dealing assets and liabilities and includes all realised and unrealised fair value changes, interest, and foreign exchange differences.

2.33 Dividend income

Dividends received from equity instruments designated at FVOCI are recognised in the profit or loss.

2.34 Assets held for sale

Upon reclassification, property and equipment are measured at the lower of their carrying amount and fair value less costs to sell. Financial instruments continue to be measured per the material accounting policy information in Note 2.7 Financial assets and liabilities (excluding derivatives).

3. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Group's accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Existing circumstances and assumptions about future developments may change due to circumstances beyond the Group's control and are reflected in the assumptions if and when they occur. Items with the most significant effect on the amounts recognised in the consolidated financial statements with substantial management judgement and/or estimates are collated below with respect to judgements/estimates involved.

3. Significant accounting judgements, estimates and assumptions (cont'd)

Fair value of financial instruments

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes an internal valuation team who performs an independent periodic review of the valuations of financial assets and liabilities and validates the assumptions used in the valuation models.

If third party information is used to measure fair values, then the valuation team assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of SFRS(I) 13, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level I that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the Note 44.

Credit impairment of financial instruments

The Group's expected credit loss ("ECL") calculations are outputs of complex models with a number of underlying assumptions. The significant judgements and estimates in determining expected credit loss include:

- The Group's criteria for assessing if there has been a significant increase in credit risk;
- Development of ECL models, including the choice of inputs relating to macroeconomic variables;
- Evaluation of management overlays and post-model adjustments; and
- Determination of probability weightings for Stage 3 individually assessed provisions

The calculation of ECL also includes expert credit judgement to be applied by credit risk management team based on counterparty information they receive from various sources including relationship managers and on external market information.

Further information about key assumptions concerning future, and other key sources of estimation uncertainty, are set out in Note 43.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

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4. Singapore government securities and treasury bills

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
At amortised cost	759,775	620,135	759,775	620,135
Impairment	(31)	(18)	(31)	(18)
	759,744	620,117	759,744	620,117
At fair value through other comprehensive income	7,894,727	1,987,019	5,095,243	647,979
Mandatorily at fair value through profit or loss	7,838,298	2,520,837	7,838,298	2,520,837
	16,492,769	5,127,973	13,693,285	3,788,933

The securities received as collateral under reverse repo agreements and their carrying amounts are as follows:

	Group and Bank			
	Fair value of securities received as collateral under reverse repo that can be repledged or sold		Carrying amount of receivables	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Securities purchased under reverse repo agreements	725,790	1,605,407	727,307	1,573,783

Corresponding receivables are classified under cash and balances with central bank, amounts due from intermediate holding company and its branches, loans and advances to banks and loans and advances to customers.

Singapore government securities sold under repurchase agreements are shown below:

	Group and Bank			
	Fair value of securities pledged		Carrying amount of payables	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Securities sold under repo agreements	841,536	457,576	839,866	436,900

Corresponding payables are classified under deposits and balances of banks, amounts due to intermediate holding company and its branches and amount due to related corporations.

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Notes to the financial statements
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5. Other government securities and treasury bills

	Group	
	2024	2023
	S\$'000	S\$'000
At amortised cost	729,713	283,642
Impairment	(208)	(76)
	729,505	283,566
At fair value through other comprehensive income	4,524,563	3,846,648
Mandatorily at fair value through profit or loss	4,831,754	4,416,398
	10,085,822	8,546,612

The securities received as collateral under reverse repo agreements and their carrying amounts are as follows:

	Fair value of securities received as collateral under reverse repo that can be repledged or sold		Carrying amount of receivables	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Securities purchased under reverse repo agreements	10,316,064	9,352,672	10,211,570	9,229,052

Corresponding receivables are classified under cash and balances with central bank, amounts due from intermediate holding company and its branches, loans and advances to banks and loans and advances to customers.

Other government securities sold under repurchase agreements are shown below:

	Fair value of securities pledged		Carrying amount of payables	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Securities sold under repo agreements	431,829	194,144	433,148	193,515

Corresponding payables are classified under deposits and balances of banks, amounts due to intermediate holding company and its branches and amount due to related corporations.

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5. Other government securities and treasury bills (cont'd)

	Bank	
	2024	2023
	S\$'000	S\$'000
At fair value through other comprehensive income	2,563,681	1,663,238
Mandatorily at fair value through profit or loss	2,378,022	2,746,060
	4,941,703	4,409,298

The securities received as collateral under reverse repo agreements and their carrying amounts are as follows:

	Fair value of securities received as collateral under reverse repo that can be repledged or sold		Carrying amount of receivables	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Securities purchased under reverse repo agreements	7,377,723	6,578,877	7,380,490	6,517,561

Corresponding receivables are classified under amounts due from intermediate holding company and its branches, loans and advances to banks and loans and advances to customers.

Other government securities sold under repurchase agreements are shown below:

	Fair value of securities pledged		Carrying amount of payables	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Securities sold under repo agreements	326,589	144,110	328,931	143,479

Corresponding payables are classified under amounts due to intermediate holding company and its branches, amount due to related corporations and deposits and balances of banks.

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6. Investment securities

	Debt securities S\$'000	Group Equity shares S\$'000	Total S\$'000	Debt securities S\$'000	Bank Equity shares S\$'000	Total S\$'000
2024						
At fair value through other comprehensive income:						
- Quoted	1,912,952	–	1,912,952	1,912,952	–	1,912,952
- Unquoted	79,159	10,083	89,242	79,159	277	79,436
	1,992,111	10,083	2,002,194	1,992,111	277	1,992,388
Mandatorily at fair value through profit and loss:						
- Quoted	1,862,870	–	1,862,870	1,779,486	–	1,779,486
- Unquoted	876,475	–	876,475	903,965	–	903,965
	2,739,345	–	2,739,345	2,683,451	–	2,683,451
At amortised cost:						
- Quoted	1,918,836	–	1,918,836	1,690,534	–	1,690,534
- Unquoted	148,972	–	148,972	168,824	–	168,824
	2,067,808	–	2,067,808	1,859,358	–	1,859,358
Impairment	(774)	–	(774)	(364)	–	(364)
	2,067,034	–	2,067,034	1,858,994	–	1,858,994
Total	6,798,490	10,083	6,808,573	6,534,556	277	6,534,833

As at 31 December 2024, debt securities held at fair value through other comprehensive income include an amount of S\$1,291,887,000 (2023: Nil) with a related party and there are no debt securities with an associate held at fair value through profit and loss (2023: S\$4,823,000).

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Notes to the financial statements
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6. Investment securities (cont'd)

	Debt securities S\$'000	Group Equity shares S\$'000	Total S\$'000	Debt securities S\$'000	Bank Equity shares S\$'000	Total S\$'000
2023						
At fair value through other comprehensive income:						
- Quoted	473,931	–	473,931	473,931	–	473,931
- Unquoted	167,909	9,606	177,515	167,909	438	168,347
	641,840	9,606	651,446	641,840	438	642,278
Mandatorily at fair value through profit and loss:						
- Quoted	1,943,012	–	1,943,012	1,914,803	–	1,914,803
- Unquoted	1,177,253	–	1,177,253	978,714	–	978,714
	3,120,265	–	3,120,265	2,893,517	–	2,893,517
At amortised cost:						
- Quoted	3,511,983	–	3,511,983	3,343,375	–	3,343,375
- Unquoted	328,353	–	328,353	116,773	–	116,773
	3,840,336	–	3,840,336	3,460,148	–	3,460,148
Impairment	(994)	–	(994)	(479)	–	(479)
	3,839,342	–	3,839,342	3,459,669	–	3,459,669
Total	7,601,447	9,606	7,611,053	6,995,026	438	6,995,464

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Notes to the financial statements
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6. Investment securities (cont'd)

The securities received as collateral under reverse repo agreements and their carrying amounts are as follows:

	Group			
	Fair value of securities received as collateral under reverse repo that can be repledged or sold		Carrying amount of receivables	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Securities purchased under reverse repo agreements	1,684,681	1,907,619	1,550,750	1,807,502

Corresponding receivables are classified under cash and balances with central bank, amounts due from intermediate holding company and its branches, loans and advances to banks and loans and advances to customers.

Investment securities sold under repurchase agreements are shown below:

	Group			
	Fair value of securities pledged		Carrying amount of payables	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Securities sold under repo agreements	1,379	704,823	1,546	695,154

Corresponding payables are classified under amounts due to intermediate holding company and its branches, amount due to related corporations and deposits and balances of banks.

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6. Investment securities (cont'd)

The securities received as collateral under reverse repo agreements and their carrying amounts are as follows:

	Bank			
	Fair value of securities received as collateral under reverse repo that can be repledged or sold		Carrying amount of receivables	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Securities purchased under reverse repo agreements	1,676,588	1,838,310	1,542,225	1,752,101

Corresponding receivables are classified under amounts due from intermediate holding company and its branches, loans and advances to banks and loans and advances to customers.

Investment securities sold under repurchase agreements are shown below:

	Bank			
	Fair value of securities pledged		Carrying amount of payables	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Securities sold under repo agreements	1,379	704,823	1,546	695,154

Corresponding payables are classified under amounts due to intermediate holding company and its branches, amount due to related corporations and deposits and balances of banks.

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7. Derivative financial instruments

The contractual or underlying notional amounts of derivative financial instruments and their corresponding gross positive (derivative assets) and negative (derivative liabilities) fair values at the reporting date are analysed below.

Positive and negative fair values represent the mark-to-market values of the derivative contracts. Notional amounts are the amounts underlying the contract at the reporting date.

	Group			2023			2024			2023			2024			2023			2024		
	Fair values			Fair values			Fair values			Fair values			Fair values			Fair values			Fair values		
	Notional amounts S\$'000	Assets S\$'000	Liabilities S\$'000	Notional amounts S\$'000	Assets S\$'000	Liabilities S\$'000	Notional amounts S\$'000	Assets S\$'000	Liabilities S\$'000	Notional amounts S\$'000	Assets S\$'000	Liabilities S\$'000	Notional amounts S\$'000	Assets S\$'000	Liabilities S\$'000	Notional amounts S\$'000	Assets S\$'000	Liabilities S\$'000	Notional amounts S\$'000	Assets S\$'000	Liabilities S\$'000
Foreign exchange derivatives																					
Forward foreign exchange	293,532,866	3,202,906	2,740,046	207,990,155	1,421,924	1,884,517	242,448,134	2,673,691	2,143,245	174,058,354	1,061,345	1,554,038									
Currency swaps	27,052,470	660,205	659,966	24,743,045	655,325	649,401	19,991,319	495,701	462,744	15,932,411	460,800	389,513									
Options	30,689,369	401,933	397,160	24,409,676	287,364	295,758	29,852,975	388,824	386,810	23,510,522	283,339	288,264									
	351,274,705	4,265,044	3,797,172	257,142,876	2,364,613	2,829,676	292,292,428	3,562,216	2,992,799	213,501,287	1,805,484	2,231,815									
Interest rate derivatives																					
Swaps	136,151,851	1,173,787	1,029,907	85,280,994	1,186,850	1,004,287	96,793,608	947,334	888,200	54,353,325	973,838	863,068									
Options	5,294,885	44,917	14,090	7,282,920	40,027	62,151	3,259,800	8,189	7,645	6,008,636	31,608	58,593									
	141,446,736	1,218,704	1,043,997	92,563,914	1,226,877	1,066,438	100,053,408	955,523	895,845	60,361,961	1,005,446	921,661									
Credit derivatives	12,737,691	277,904	637,642	6,376,099	127,799	170,354	10,964,963	273,049	479,115	5,029,561	50,186	144,864									
Commodity derivatives	9,288,033	194,072	452,503	7,799,092	318,603	289,632	5,811,783	119,302	377,789	4,530,913	252,400	203,322									
Equity derivatives	7,098,682	145,466	145,474	4,366,221	72,237	72,264	7,098,682	145,466	145,474	4,366,221	72,237	72,264									
Total derivatives	521,845,847	6,101,190	6,076,788	368,248,202	4,110,129	4,408,364	416,221,264	5,055,556	4,891,022	287,789,943	3,185,753	3,573,926									
Other trading liabilities																					
Short sale position in dealing securities			453,212			591,486					248,952										
Total recognised derivative and other trading liabilities			6,530,000			4,999,850					5,139,974										

Derivative assets and liabilities include amounts of S\$6,559,000 (2023: S\$16,353,000) and S\$5,481,000 (2023: S\$22,000) respectively with an associate.

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7. Derivative financial instruments (cont'd)

The transactions entered into with the intermediate holding company and its branches, and related corporations as at 31 December are as follows:

	Group				Bank			
	2024		2023		2024		2023	
	Notional amounts S\$'000	Fair values	Notional amounts S\$'000	Fair values	Notional amounts S\$'000	Fair values	Notional amounts S\$'000	Fair values
		Assets S\$'000	Liabilities S\$'000		Assets S\$'000	Liabilities S\$'000	Assets S\$'000	Liabilities S\$'000
<i>Foreign exchange derivatives</i>								
Forward foreign exchange	154,173,300	1,456,803	1,341,026	125,193,766	725,893	929,726	1,345,601	1,293,390
Currency swaps	10,111,745	284,517	271,706	9,346,969	310,275	275,215	356,574	312,735
Options	14,247,009	100,220	234,151	11,516,064	139,881	111,880	93,813	233,858
	178,532,054	1,841,540	1,846,883	146,056,799	1,176,049	1,316,821	1,795,988	1,839,983
							1,097,017	1,305,405
<i>Interest rate derivatives</i>								
Swaps	89,867,644	904,182	663,176	44,588,640	929,032	560,900	850,677	809,626
Options	2,378,745	6,035	5,559	3,401,261	27,548	4,297	6,413	1,799
	92,246,389	910,217	668,735	47,989,901	956,580	565,197	857,090	811,425
							925,720	701,078
<i>Credit derivatives</i>								
Credit derivatives	4,909,619	240,027	16,360	3,314,822	66,392	4,634	240,027	16,413
								3,311,858
<i>Commodity derivatives</i>								
Commodity derivatives	5,997,112	105,669	349,296	4,454,976	220,855	110,145	42,730	337,222
								2,820,887
<i>Equity derivatives</i>								
Equity derivatives	2,489,397	90,888	1,134	1,349,727	38,376	757	90,888	1,134
								1,349,727
Total derivatives	284,174,571	3,188,341	2,882,408	203,166,225	2,458,252	1,997,554	3,026,723	3,006,177
							2,275,783	2,101,945

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7. Derivative financial instruments (cont'd)

Derivatives held for hedging

Hedge accounting is applied to derivatives and hedged items when the criteria under SFRS(I) 1-39 have been met. The tables below list the types of derivatives that the Group holds for hedge accounting.

	Group				Bank			
	2024		2023		2024		2023	
	Notional amounts S\$'000	Fair values Assets S\$'000	Liabilities S\$'000	Notional amounts S\$'000	Assets S\$'000	Liabilities S\$'000	Assets S\$'000	Liabilities S\$'000
<i>Derivatives designated as fair value hedges</i>								
Interest rate swaps	1,356,750	25,778	1,012	2,752,981	44,926	21,298	43,962	18,411
Currency swaps	1,415,298	—	68,742	—	—	—	—	—
<i>Derivatives designated as cash flow hedges</i>								
Interest rate swaps	11,411,633	134,704	99,863	1,855,405	22,838	—	19,629	—
Forward foreign exchange	82,653	1,885	—	787,516	—	17,042	—	17,042
Currency swaps	270,689	20,276	2,001	783,596	23,828	6,901	—	3,422
Total derivatives held for hedging	14,537,023	182,643	171,618	6,179,498	91,592	45,241	63,591	38,875

Derivatives held for hedging under the Group are entered into with the intermediate holding company and its branches and external parties.

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7. Derivative financial instruments (cont'd)

Fair value hedges

The Group uses interest rate swaps to exchange fixed rates for floating rates on funding to match floating rates received on assets or exchange fixed rates on assets to match the floating rates paid on funding. The Group further uses cross-currency swaps to match the currency of the issued debt or held asset with that of the entity's functional currency. Hedge ineffectiveness from fair value hedges is driven by cross currency basis risk and interest cashflows mismatch between the hedging instruments and underlying hedge items.

In respect of fair value hedges, the hedged items with carrying value at the end of the year relates to the following:

Group	Carrying value of hedged items		Accumulated amount of fair value hedge adjustments included in the carrying amount		Cumulative balance of fair value adjustments from de-designated hedge relationships	
	2024	2023	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Debt securities						
Government bonds and treasury bills	318,206	379,234	(565)	(1,902)	1,518	5,870
Loans and advances to customers	973,057	2,264,381	(16,212)	(7,603)	(1,368)	29,341
Structured notes and deposits	38,175	35,440	(592)	(2,113)	–	–
	(1,423,906)	–	(11,779)	–	–	–
	(94,468)	2,679,055	(29,148)	(11,618)	150	35,211
Bank	Carrying value of hedged items		Accumulated amount of fair value hedge adjustments included in the carrying amount		Cumulative balance of fair value adjustments from de-designated hedge relationships	
	2024	2023	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Debt securities						
Government bonds and treasury bills	181,918	379,234	(828)	(1,902)	1,518	5,870
Loans and advances to customers	868,583	1,663,233	(16,117)	(9,556)	(132)	24,977
Structured notes and deposits	38,175	35,440	(592)	(2,113)	–	–
	(1,423,906)	–	(11,779)	–	–	–
	(335,230)	2,077,907	(29,316)	(13,571)	1,386	30,847

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Notes to the financial statements
For the financial year ended 31 December 2024

7. Derivative financial instruments (cont'd)

Fair value hedges (cont'd)

Income statement impact of fair value hedges is as follows:

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Change in fair value of hedging instruments	(21,365)	19,293	(21,179)	19,237
Change in fair value of hedged risks attributable to hedged items	20,089	(20,255)	19,888	(20,048)
Net ineffectiveness loss	(1,276)	(962)	(1,291)	(811)

Cash flow hedges

The Group uses interest rate swaps to manage the variability in future cash flows on assets and liabilities that have floating rates of interest by exchanging the floating rates for fixed rates.

The impact of the hedging instruments on the statement of financial position and statement of profit and loss is as follows:

Group	Notional amounts	Carrying amount		Hedge ineffectiveness recognised in profit or loss	Amount reclassified from reserves to income
		Asset	Liabilities		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2024					
Interest rate swaps	11,411,633	134,704	99,863	(2,057)	171
Forward foreign exchange	82,653	1,885	—	—	—
Currency swaps	270,689	20,276	2,001	—	—
	11,764,975	156,865	101,864	(2,057)	171
2023					
Interest rate swaps	1,855,405	22,838	—	385	(15,297)
Forward foreign exchange	787,516	—	17,042	(10)	—
Currency swaps	783,596	23,828	6,901	(55)	—
	3,426,517	46,666	23,943	320	(15,297)

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7. Derivative financial instruments (cont'd)

Cash flow hedges (cont'd)

Bank	Notional amounts S\$'000	Carrying amount		Hedge Ineffectiveness recognised in profit or loss S\$'000	Amount reclassified from reserves to income S\$'000
		Asset S\$'000	Liabilities S\$'000		
2024					
Interest rate swaps	10,439,303	134,704	98,613	(1,994)	(1,864)
Forward foreign exchange	82,653	1,885	—	—	—
Currency swaps	—	—	—	—	—
	10,521,956	136,589	98,613	(1,994)	(1,864)
2023					
Interest rate swaps	1,657,683	19,629	—	385	(18,272)
Forward foreign exchange	787,516	—	17,042	(10)	—
Currency swaps	112,543	—	3,422	(30)	—
	2,557,742	19,629	20,464	345	(18,272)

The time periods in which the hedged cash flows are expected to occur and affect the statement of profit or loss are as below:

	Group				Bank			
	Within 1 year S\$'000	Between 1 to 5 years S\$'000	More than 5 years S\$'000	Total S\$'000	Within 1 year S\$'000	Between 1 to 5 years S\$'000	More than 5 years S\$'000	Total S\$'000
2024								
Forecast receivable cash flows	490,439	814,038	168,303	1,472,780	466,024	792,664	168,303	1,426,991
2023								
Forecast receivable cash flows	100,974	80,821	425	182,220	78,590	77,075	425	156,090

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Notes to the financial statements
For the financial year ended 31 December 2024

7. Derivative financial instruments (cont'd)

Maturity of hedging instruments

2024		Less than one month	Group More than one month and less than one year	One to five years	More than five years
Fair value hedges					
<i>Interest rate swaps</i>					
Notional	S\$'000	—	142,750	1,214,000	—
Average fixed interest rate	USD	—	1.22%	2.81%	—
	MYO	—	3.42%	—	—
	AUD	—	—	—	—
	SGD	—	—	5.40%	—
	THO	—	—	—	—
<i>Currency swaps</i>					
Notional	S\$'000	—	—	1,415,298	—
Average fixed interest rate	EUR	—	—	2.40%	—
Average exchange rate	EUR/USD	—	—	0.91%	—
Cash flow hedges					
<i>Interest rate swaps</i>					
Notional	S\$'000	276,839	3,790,464	5,984,080	1,360,250
Average fixed interest rate	USD	4.79%	4.39%	3.79%	3.74%
	SGD	3.22%	3.34%	2.89%	—
	MYO	—	3.52%	3.45%	—
	BRL	—	—	11.62%	—
<i>Currency swaps</i>					
Notional	S\$'000	—	270,689	—	—
Average fixed interest rate	KRO	—	3.11%	—	—
	THO	—	2.20%	—	—
Average exchange rate	KRO/USD	—	1,220.50	—	—
	THO/USD	—	33.81	—	—
	THO/MYO	—	—	—	—
<i>Forward foreign exchange</i>					
Notional	S\$'000	—	82,653	—	—
Average exchange rate	INR/USD	—	83.63	—	—

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
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7. Derivative financial instruments (cont'd)

Maturity of hedging instruments

		Group		
		Less than one month	More than one month and less than one year	One to five years
2023				
Fair value hedges				
<i>Interest rate swaps</i>				
Notional	S\$'000	–	–	2,752,981
Average fixed interest rate	USD	–	–	3.58%
	MYO	–	–	3.61%
	AUD	–	–	3.48%
	SGD	–	–	2.65%
	THO	–	–	2.18%
Cash flow hedges				
<i>Interest rate swaps</i>				
Notional	S\$'000	32,942	669,731	1,152,732
Average fixed interest rate	USD	5.40%	5.59%	4.80%
	SGD	–	3.72%	0.64%
<i>Currency swaps</i>				
Notional	S\$'000	49,476	525,961	208,159
Average fixed interest rate	KRO	–	4.27%	3.11%
	THO	3.01%	2.17%	2.36%
Average exchange rate	KRO/USD	–	1,268.23	1,220.50
	THO/USD	–	33.72	33.72
	THO/MYO	8.03	–	–
<i>Forward foreign exchange</i>				
Notional	S\$'000	–	787,516	–
Average exchange rate	INR/USD	–	82.90	–

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
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7. Derivative financial instruments (cont'd)

Maturity of hedging instruments

		Bank			
		More than one month and less than			
		One to five years			
		More than five years			
2024		Less than one month	More than one month and less than one year	One to five years	More than five years
Fair value hedges					
<i>Interest rate swaps</i>					
Notional	S\$'000	–	38,767	1,078,106	–
Average fixed interest rate	USD	–	0.01%	2.47%	–
	AUD	–	–	–	–
	SGD	–	–	2.59%	–
<i>Currency swaps</i>					
Notional	S\$'000	–	–	1,415,298	–
Average fixed interest rate	EUR	–	–	1.22%	–
Average exchange rate	EUR/USD	–	–	0.91%	–
Cash flow hedges					
<i>Interest rate swaps</i>					
Notional	S\$'000	276,839	2,818,134	5,984,080	1,360,250
Average fixed interest rate	USD	4.79%	4.39%	3.79%	3.74%
	SGD	3.22%	3.34%	2.89%	–
	BRL	–	–	11.62%	–
<i>Currency swaps</i>					
Notional	S\$'000	–	–	–	–
Average fixed interest rate	KRO	–	–	–	–
Average exchange rate	KRO/USD	–	–	–	–
<i>Forward foreign exchange</i>					
Notional	S\$'000	–	82,653	–	–
Average exchange rate	INR/USD	–	83.63	–	–

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2024

7. Derivative financial instruments (cont'd)

Maturity of hedging instruments

		Bank		
		Less than one month	More than one month and less than one year	One to five years
2023				
Fair value hedges				
<i>Interest rate swaps</i>				
Notional	S\$'000	–	–	2,150,072
Average fixed interest rate	USD	–	–	3.58%
	AUD	–	–	3.48%
	SGD	–	–	6.23%
Cash flow hedges				
<i>Interest rate swaps</i>				
Notional	S\$'000	32,942	472,009	1,152,732
Average fixed interest rate	USD	5.40%	5.44%	4.80%
	SGD	–	3.72%	2.42%
<i>Currency swaps</i>				
Notional	S\$'000	–	112,543	–
Average fixed interest rate	KRO	–	5.13%	–
Average exchange rate	KRO/USD	–	1,325.00	–
<i>Forward foreign exchange</i>				
Notional	S\$'000	–	787,516	–
Average exchange rate	INR/USD	–	82.90	–

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
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8. Loans and advances to banks

	Note	Group		Bank	
		2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
At amortised cost		7,153,446	9,154,390	4,874,342	7,269,073
Mandatorily at fair value through profit or loss		2,117,316	3,483,385	1,288,638	2,370,055
Impairment	11	9,270,762 (2,267)	12,637,775 (2,187)	6,162,980 (1,608)	9,639,128 (1,498)
		9,268,495	12,635,588	6,161,372	9,637,630
<i>Maturity analysis</i>					
Within 7 days		1,119,605	1,207,139	710,286	525,539
Over 7 days to 1 month		648,343	1,900,350	83,380	1,136,327
Over 1 month to 3 months		2,550,959	3,513,458	930,012	2,459,086
Over 3 months to 1 year		3,042,146	5,899,597	2,567,889	5,402,246
Over 1 to 3 years		1,807,690	111,521	1,769,394	110,220
Over 3 years		102,019	5,710	102,019	5,710
		9,270,762	12,637,775	6,162,980	9,639,128

9. Loans and advances to customers

	Note	Group		Bank	
		2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
At amortised cost		73,741,087	67,712,677	59,439,124	54,779,167
Mandatorily at fair value through profit or loss		1,437,086	1,255,083	1,207,488	981,754
Impairment	11	75,178,173 (760,526)	68,967,760 (724,941)	60,646,612 (439,704)	55,760,921 (433,513)
		74,417,647	68,242,819	60,206,908	55,327,408
<i>Maturity analysis</i>					
Within 7 days		15,079,860	13,857,587	12,092,071	11,004,728
Over 7 days to 1 month		7,515,222	6,582,062	6,045,822	5,120,620
Over 1 month to 3 months		4,537,952	3,719,129	3,066,359	2,321,416
Over 3 months to 1 year		5,517,232	4,788,867	4,115,107	3,698,707
Over 1 to 3 years		7,270,201	6,811,588	6,071,214	5,768,303
Over 3 years		35,257,706	33,208,527	29,256,039	27,847,147
		75,178,173	68,967,760	60,646,612	55,760,921

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10. Bills receivable

		Group		Bank	
	Note	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
At amortised cost		10,224,222	8,512,717	9,032,306	6,857,079
Impairment	11	(45,534)	(44,785)	(44,169)	(41,738)
		<u>10,178,688</u>	<u>8,467,932</u>	<u>8,988,137</u>	<u>6,815,341</u>

11. Impairment allowance

Movement in impairment allowance included within loans and advances to banks, customers and bills receivable is as follows:

	Note	Stage 1	Stage 2	Stage 3	Total
		S\$'000	S\$'000	S\$'000	S\$'000
Group					
Loans and advances to banks, customers and bills receivable at amortised cost					
Balance at 1 January 2024		109,782	72,164	589,967	771,913
Transfer to Stage 1		123,189	(123,189)	—	—
Transfer to Stage 2		(37,434)	72,898	(35,464)	—
Transfer to Stage 3		(308)	(52,153)	52,461	—
Net remeasurement of loss allowance		(112,308)	76,400	554,228	518,320
New financial assets purchased or originated during the period		126,485	39,535	11,093	177,113
Financial assets that have been derecognised		(63,926)	(18,181)	(410,102)	(492,209)
Net (release)/charge against profit	37	(49,749)	97,754	155,219	203,224
Write-offs		—	—	(134,924)	(134,924)
Discount unwinding		—	—	(20,171)	(20,171)
Foreign exchange and other movements		4,738	2,156	(18,609)	(11,715)
At 31 December 2024		<u>150,218</u>	<u>69,630</u>	<u>588,479</u>	<u>808,327</u>

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
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11. Impairment allowance (cont'd)

Movement in impairment allowance included within loans and advances to banks, customers and bills receivable is as follows: (cont'd)

	Note	Stage 1	Stage 2	Stage 3	Total
		S\$'000	S\$'000	S\$'000	S\$'000
Group					
Loans and advances to banks, customers and bills receivable at amortised cost					
Balance at 1 January 2023		105,392	53,306	704,513	863,211
Transfer to Stage 1		79,938	(77,227)	(2,711)	–
Transfer to Stage 2		(45,199)	49,448	(4,249)	–
Transfer to Stage 3		(148)	(54,772)	54,920	–
Net remeasurement of loss allowance		(81,446)	87,800	372,987	379,341
New financial assets purchased or originated during the period		105,440	29,569	172	135,181
Financial assets that have been derecognised		(50,996)	(12,571)	(378,153)	(441,720)
Net (release)/charge against profit	37	(27,002)	104,798	(4,994)	72,802
Write-offs		–	–	(117,561)	(117,561)
Discount unwinding		–	–	(5,865)	(5,865)
Foreign exchange and other movements		(3,199)	(3,389)	(34,086)	(40,674)
At 31 December 2023		109,782	72,164	589,967	771,913

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
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11. Impairment allowance (cont'd)

Movement in impairment allowance included within loans and advances to banks, customers and bills receivable is as follows: (cont'd)

	Note	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Bank					
Loans and advances to banks, customers and bills receivable at amortised cost					
Balance at 1 January 2024		53,655	52,000	371,094	476,749
Transfer to Stage 1		77,668	(77,668)	–	–
Transfer to Stage 2		(16,403)	46,977	(30,574)	–
Transfer to Stage 3		–	(27,225)	27,225	–
Net remeasurement of loss allowance		(63,020)	36,174	189,344	162,498
New financial assets purchased or originated during the period		63,637	25,396	175	89,208
Financial assets that have been derecognised		(44,595)	(11,875)	(115,427)	(171,897)
Net (release)/charge against profit	37	(43,978)	49,695	74,092	79,809
Write-offs		–	–	(77,507)	(77,507)
Discount unwinding		–	–	(7,340)	(7,340)
Foreign exchange and other movements		3,469	986	9,315	13,770
At 31 December 2024		74,411	44,765	366,305	485,481

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11. Impairment allowance (cont'd)

Movement in impairment allowance included within loans and advances to banks, customers and bills receivable is as follows: (cont'd)

	Note	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Bank					
Loans and advances to banks, customers and bills receivable at amortised cost					
Balance at 1 January 2023		49,991	22,938	413,289	486,218
Transfer to Stage 1		35,824	(33,896)	(1,928)	–
Transfer to Stage 2		(11,138)	15,114	(3,976)	–
Transfer to Stage 3		(96)	(17,222)	17,318	–
Net remeasurement of loss allowance		(61,125)	57,765	111,815	108,455
New financial assets purchased or originated during the period		62,215	15,484	116	77,815
Financial assets that have been derecognised		(22,707)	(7,458)	(99,396)	(129,561)
Net (release)/charge against profit	37	(21,617)	65,791	12,535	56,709
Write-offs		–	–	(60,154)	(60,154)
Discount unwinding		–	–	(5,865)	(5,865)
Foreign exchange and other movements		691	(725)	(125)	(159)
At 31 December 2023		53,655	52,000	371,094	476,749

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11. Impairment allowance (cont'd)

Movement in impairment allowance relating to debt securities is as follows:

	Note	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Group					
Debt securities held at amortised cost and fair value through other comprehensive income*					
Balance at 1 January 2024		1,330	–	354	1,684
Net remeasurement of loss allowance		(1,049)	–	–	(1,049)
Net financial assets purchased or originated during the period		1,229	–	–	1,229
Net charge against profit	37	180	–	–	180
Foreign exchange and other movements		(27)	–	20	(7)
At 31 December 2024		1,483	–	374	1,857

* Includes Singapore and other government securities.

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11. Impairment allowance (cont'd)

Movement in impairment allowance relating to debt securities is as follows:

	Note	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Group					
Debt securities held at amortised cost and fair value through other comprehensive income*					
Balance at 1 January 2023		2,313	—	376	2,689
Net remeasurement of loss allowance		(2,889)	—	—	(2,889)
Net financial assets purchased or originated during the period		1,891	—	—	1,891
Net release against profit	37	(998)	—	—	(998)
Foreign exchange and other movements		15	—	(22)	(7)
At 31 December 2023		1,330	—	354	1,684

* Includes Singapore and other government securities.

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11. Impairment allowance (cont'd)

	Note	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Bank					
Debt securities held at amortised cost and fair value through other comprehensive income*					
Balance at 1 January 2024		654	—	—	654
Net remeasurement of loss allowance		(645)	—	—	(645)
Net financial assets purchased or originated during the period		781	—	—	781
Net charge against profit	37	136	—	—	136
Foreign exchange and other movements		(55)	—	—	(55)
At 31 December 2024		735	—	—	735
Debt securities held at amortised cost and fair value through other comprehensive income*					
Balance at 1 January 2023		1,508	—	—	1,508
Net remeasurement of loss allowance		(1,733)	—	—	(1,733)
Net financial assets purchased or originated during the period		892	—	—	892
Net release against profit	37	(841)	—	—	(841)
Foreign exchange and other movements		(13)	—	—	(13)
At 31 December 2023		654	—	—	654

* Includes Singapore and other government securities.

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11. Impairment allowance (cont'd)

Classified credit facilities

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Gross classified credit facilities</i>				
Substandard	499,594	487,278	184,760	137,806
Doubtful	248,989	609,868	45,782	430,411
Loss	475,252	186,025	323,271	70,355
	1,223,835	1,283,171	553,813	638,572

Classified credit facilities represent all outstanding loans and advances, bills receivable and debt securities classified as substandard, doubtful and loss in accordance with the loan grading guidelines under MAS Notice 612 to Banks.

Included within substandard are loans and advances with credit grading 12 amounting to Group: S\$40,858,000; Bank: S\$39,543,000 (2023: Group: S\$112,320,000; Bank: S\$56,947,000).

12. Amount due from/to intermediate holding company and its branches

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Amounts due from intermediate holding company and its branches:				
- Trade	10,437,479	12,617,439	10,111,256	11,566,369
- Non-trade	274,247	272,995	248,508	262,516
	10,711,726	12,890,434	10,359,764	11,828,885
Amounts due to intermediate holding company and its branches:				
- Trade	3,955,336	2,912,407	3,789,835	2,711,685
- Non-trade	663,341	765,121	432,484	557,356
	4,618,677	3,677,528	4,222,319	3,269,041

The amounts due from/to intermediate holding company and its branches comprise loans and placements, nostro accounts, deposits, repos, reverse repos and other balances.

Included in the above balances are amounts which are unsecured, both interest bearing and interest-free and repayable on demand.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2024

13. Amount due from/to related corporations

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Amounts due from related corporations:				
- Trade	649,325	208,876	593,721	131,127
- Non-trade	215,810	188,939	208,195	184,148
	<u>865,135</u>	<u>397,815</u>	<u>801,916</u>	<u>315,275</u>
Amounts due to related corporations:				
- Trade	2,979,605	1,376,620	1,404,179	281,911
- Non-trade	161,104	122,455	141,060	97,702
	<u>3,140,709</u>	<u>1,499,075</u>	<u>1,545,239</u>	<u>379,613</u>

The amounts due from/to related corporations comprise loans and placements, nostro accounts, and deposits and other balances with related corporations of the intermediate holding company.

Included in the above balances are amounts which are unsecured, both interest bearing and interest-free and repayable on demand.

14. Amounts due from/to subsidiaries

	Bank	
	2024	2023
	S\$'000	S\$'000
Trade amount due from subsidiaries	4,758,178	380,574
	<u>4,758,178</u>	<u>380,574</u>
	Bank	
	2024	2023
	S\$'000	S\$'000
Trade amount due to subsidiaries	8,170,194	4,263,247
	<u>8,170,194</u>	<u>4,263,247</u>

The amounts due from/to subsidiaries comprise loans and placements, nostro accounts, and deposits and other balances with subsidiaries of the Bank.

Included in the above balances are amounts which are unsecured, both interest bearing and interest-free and repayable on demand.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
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15. Other assets

	Group	
	2024 S\$'000	2023 S\$'000
Non-financial assets:		
Precious metal and emissions certificates ¹	3,845,080	3,847,673
Prepayments and others	288,004	221,604
	4,133,084	4,069,277
Financial assets:		
<u>Interest receivable</u>		
- Intermediate holding company and its branches	9,187	75,538
- Related corporations	3,542	217
- Others	637,126	602,510
	649,855	678,265
Unsettled receivables, settlement and clearing balances	210,330	215,214
Cash collaterals	866,181	653,052
Sundry receivables	534,002	566,581
	2,260,368	2,113,112
	6,393,452	6,182,389
	Bank	
	2024 S\$'000	2023 S\$'000
Non-financial assets:		
Precious metal and emissions certificates ¹	3,845,080	3,847,673
Prepayments and others	81,302	90,241
	3,926,382	3,937,914
Financial assets:		
<u>Interest receivable</u>		
- Intermediate holding company and its branches	8,470	61,107
- Related corporations	3,504	199
- Subsidiaries	6,904	2,258
- Others	539,597	522,374
	558,475	585,938
Unsettled receivables, settlement and clearing balances	67,499	127,292
Cash collaterals	463,260	407,160
Sundry receivables	487,273	525,427
	1,576,507	1,645,817
	5,502,889	5,583,731

¹ Precious metal and emissions certificates are carried at fair value less costs to sell, S\$1 billion (2023: S\$0.5 billion) are classified as Level 1 and S\$2.8 billion (2023: S\$3.3 billion) are classified as Level 2.

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Notes to the financial statements
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16. Assets held for sale

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets held at amortised cost				
Loans and advances to customers	70,765	25,219	70,765	25,219
Property and equipment	-	1,075	-	-
	70,765	26,294	70,765	25,219

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17. Property and equipment

Group	Note	Leasehold premises S\$'000	Renovation at premises S\$'000	Furniture and fixtures S\$'000	Computer and office equipment S\$'000	Projects in progress S\$'000	Leased premises S\$'000	Leased equipment asset S\$'000	Motor vehicles S\$'000	Total S\$'000
Cost										
At 1 January 2023		128,874	110,937	8,148	20,073	29,466	322,358	385	153	620,394
Additions		885	184	2,915	2,688	9,405	13,878	39	—	29,994
Transfers		—	20,639	2,924	5,098	(28,661)	—	—	—	—
Transfers from other branches/subsidiaries		—	—	—	—	993	—	—	—	993
Disposal/write-offs		(405)	(4,330)	(3,122)	(3,880)	—	(9,044)	—	(148)	(20,929)
Foreign exchange		(68)	(1,203)	(137)	(566)	(176)	(1,968)	(1)	(5)	(4,124)
At 31 December 2023 and at 1 January 2024		129,286	126,227	10,728	23,413	11,027	325,224	423	—	626,328
Additions		45	3,276	377	946	7,235	31,188	330	—	43,397
Transfers		(6,246)	19,102	1,288	878	(15,022)	—	—	—	—
Transfers from other branches/subsidiaries		—	—	—	—	101	—	—	—	101
Disposal/write-offs		(15)	(951)	(95)	(364)	—	(9,668)	(418)	—	(11,511)
Foreign exchange		(41)	1,167	156	451	80	1,010	12	—	2,835
At 31 December 2024		123,029	148,821	12,454	25,324	3,421	347,754	347	—	661,150
Accumulated depreciation										
At 1 January 2023		47,853	40,544	4,839	8,381	—	61,219	338	38	163,212
Depreciation for the year		6,237	15,326	2,147	4,866	—	40,633	85	16	69,310
Impairment charge	36	355	—	—	95	—	327	—	—	777
Disposals/write-offs		(398)	(4,330)	(3,122)	(3,880)	—	(7,387)	—	(53)	(19,170)
Foreign exchange		(42)	(705)	(102)	(332)	—	(1,252)	—	(1)	(2,434)
At 31 December 2023 and at 1 January 2024		54,005	50,835	3,762	9,130	—	93,540	423	—	211,695
Depreciation for the year	36	3,086	19,492	2,207	5,094	—	45,174	82	—	75,135
Transfers		393	(393)	—	—	—	—	—	—	—
Impairment charge		—	—	—	—	—	72	—	—	72
Disposals/write-offs		(15)	(951)	(95)	(364)	—	(8,997)	(418)	—	(10,840)
Foreign exchange		12	776	121	326	—	748	(1)	—	1,982
At 31 December 2024		57,481	69,759	5,995	14,186	—	130,537	86	—	278,044
Carrying amounts										
At 31 December 2023		75,281	75,392	6,966	14,283	11,027	231,684	—	—	414,633
At 31 December 2024		65,548	79,062	6,459	11,138	3,421	217,217	261	—	383,106

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17. Property and equipment (cont'd)

Bank	Note	Leasehold premises S\$'000	Renovation at premises S\$'000	Furniture and fixtures S\$'000	Computer and office equipment S\$'000	Projects in progress S\$'000	Leased Premises S\$'000	Total S\$'000
Cost								
At 1 January 2023		121,300	88,331	4,538	3,124	25,904	273,356	516,553
Additions		—	151	2,617	747	5,823	8,277	17,615
Transfers		—	17,946	2,924	3,161	(24,031)	—	—
Transfers from other branches/subsidiaries		—	—	—	—	993	—	993
Disposal/write-offs		—	—	(2,582)	—	—	(4,632)	(7,214)
At 31 December 2023 and at 1 January 2024		121,300	106,428	7,497	7,032	8,689	277,001	527,947
Additions		—	3,258	368	218	5,387	17,330	26,561
Transfers		—	10,173	1,288	450	(11,911)	—	—
Transfers from other branches/subsidiaries		—	—	—	—	101	—	101
At 31 December 2024		121,300	119,859	9,153	7,700	2,266	294,331	554,609
Accumulated depreciation								
At 1 January 2023		47,146	28,224	3,058	340	—	40,348	119,116
Depreciation for the year	36	4,401	10,550	1,385	1,023	—	29,886	47,245
Impairment charge		—	—	—	—	—	—	—
Disposals/write-offs		—	—	(2,582)	—	—	(4,632)	(7,214)
At 31 December 2023 and at 1 January 2024		51,547	38,774	1,861	1,363	—	65,602	159,147
Depreciation for the year	36	4,401	12,382	1,681	1,567	—	33,985	54,016
Impairment charge		—	—	—	—	—	—	—
Disposals/write-offs		—	—	—	—	—	—	—
At 31 December 2024		55,948	51,156	3,542	2,930	—	99,587	213,163
Carrying amounts								
At 31 December 2023		69,753	67,654	5,636	5,669	8,689	211,399	368,800
At 31 December 2024		65,352	68,703	5,611	4,770	2,266	194,744	341,446

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18. Investments in associates

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Investments in associates	72,509	66,092	72,509	66,092
Share of cashflow hedge reserve	136	(247)	—	—
Share of profit	5,753	5,119	—	—
Share of retained earnings	9,082	6,399	—	—
Others	2,034	—	—	—
Net carrying amount	89,514	77,363	72,509	66,092

Details of the associates are as follows:

Name of associate	Principal activity	Principal place of business/ country of incorporation	Ownership interest	
			2024	2023
			%	%
Clifford Capital Holdings Pte Ltd	Project and structured asset-backed debt financing	Singapore	9.9	9.9
Verified Impact Exchange Holding Pte Ltd	Securities and Commodities Exchange	Singapore	13.421	15

The Group considered Clifford Capital Holdings Pte Ltd and its subsidiaries to be an associate as it has significant influence through its representation on the Board of Clifford Capital Holdings Pte Ltd. As at 31 December 2024, based on the latest available financial report, Clifford Capital Holdings Pte Ltd total assets was S\$7.1 billion (2023: S\$6.1 billion) and total liabilities was S\$6.0 billion (2023: S\$5.1 billion).

The Group considered Verified Impact Exchange Holdings Pte Ltd to be an associate as it has significant influence through its representation on the Board and participation in the policy making and relevant activities.

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19. Investments in subsidiaries

	Bank	
	2024 S\$'000	2023 S\$'000
Investments in subsidiaries	3,575,604	3,464,603

Details of principal subsidiaries of the Group are as follows:

Name of principal subsidiary	Principal activity	Principal place of business/ country of incorporation	Group effective ownership interest	
			2024 %	2023 %
Prunelli Singapore Asset Purchaser Pte Ltd ¹	Asset-backed debt financing	Singapore	100	100
Trust Bank Singapore Ltd	Banking	Singapore	60	60
Standard Chartered Bank (Malaysia) Berhad	Banking	Malaysia	100	100
Standard Chartered Saadiq Berhad	Islamic banking business	Malaysia	100	100
Standard Chartered Bank (Thai) Public Company Limited	Banking	Thailand	99.871	99.871
Standard Chartered Bank (Vietnam) Limited	Banking	Vietnam	100	100
Banzu Covered Bond Pte Ltd ²	Other financial services	Singapore	100	100

¹ Prunelli Singapore Asset Purchaser Pte Ltd is a structured entity established for the purpose of acquiring trade finance exposures and issuing Asset Funding Companies funding notes. The Bank provides funding and hedging facilities to it.

² Banzu Covered Bond Pte Ltd is a bankruptcy-remote structured entity established in conjunction with the Bank's Covered Bond Programme (see Note 23). As part of the contractual structures that are integral to this programme, the Bank provides funding and hedging facilities to it.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

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19. Investments in subsidiaries (cont'd)

Interest in subsidiaries with material non-controlling interest (NCI)

Only Trust Bank Singapore Limited has NCI that is material to the Group. The following table summarises the financial information about Trust Bank Singapore Limited before intercompany eliminations.

	2024 S\$'000	2023 S\$'000
Net assets attributable to NCI	103,911	67,228
Total comprehensive income attributable to NCI	(37,316)	(51,468)
Summarised financial information		
Balance sheet		
Total assets	4,134,708	2,096,267
Total liabilities	(3,874,930)	(1,928,198)
Total net assets	259,778	168,069
Statement of comprehensive income/(loss)		
Operating income	96,861	39,132
Loss for the year	(93,399)	(128,379)
Other comprehensive income/(loss)	108	(292)
Total comprehensive loss for the year	(93,291)	(128,671)
Cash flow statement		
Net cash flows generated from operating activities	1,411,344	893,139
Net cash flows used in investing activities	(1,481,626)	(968,027)
Net cash flows generated from financing activities	182,229	108,039
Net increase in cash and cash equivalents	111,947	33,151

Standard Chartered Bank (Singapore) Limited and its subsidiaries

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20. Goodwill and intangible assets

Group	Note	Goodwill S\$'000	Intangible assets S\$'000	Capitalised software S\$'000	Projects in Progress S\$'000	Total S\$'000
Cost						
At 1 January 2023		279,373	4,269	865,001	19,880	1,168,523
Additions		–	–	32,199	128,756	160,955
Transfers from other branches/subsidiaries		–	–	–	195,836	195,836
Impairment		–	–	–	(3,672)	(3,672)
Disposals/write-offs		–	–	(31,505)	–	(31,505)
Transfers		–	–	334,448	(334,448)	–
Foreign exchange		–	–	(11,005)	(24)	(11,029)
At 31 December 2023 and at 1 January 2024		279,373	4,269	1,189,138	6,328	1,479,108
Additions		–	–	18,296	134,725	153,021
Transfers (to)/from other branches/subsidiaries		–	–	(3,972)	121,355	117,383
Impairment		–	–	–	(1,196)	(1,196)
Disposals/write-offs		–	–	(99,205)	(11,820)	(111,025)
Transfers		–	–	240,383	(240,383)	–
Foreign exchange		–	–	13,050	19	13,069
At 31 December 2024		279,373	4,269	1,357,690	9,028	1,650,360
Accumulated depreciation						
At 1 January 2023		–	4,269	301,993	–	306,262
Amortisation during the year	36	–	–	169,313	–	169,313
Disposals/write-offs		–	–	(31,505)	–	(31,505)
Impairment		–	–	16,439	–	16,439
Foreign exchange		–	–	(4,985)	–	(4,985)
At 31 December 2023 and at 1 January 2024		–	4,269	451,255	–	455,524
Amortisation during the year	36	–	–	184,406	–	184,406
Disposals/write-offs		–	–	(7,840)	–	(7,840)
Impairment		–	–	4,946	–	4,946
Foreign exchange		–	–	6,433	–	6,433
At 31 December 2024		–	4,269	639,200	–	643,469
Carrying amounts						
At 31 December 2023		279,373	–	737,883	6,328	1,023,584
At 31 December 2024		279,373	–	718,490	9,028	1,006,891

Standard Chartered Bank (Singapore) Limited and its subsidiaries

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20. Goodwill and intangible assets (cont'd)

Bank	Note	Goodwill S\$'000	Intangible assets S\$'000	Capitalised software S\$'000	Projects in Progress S\$'000	Total S\$'000
Cost						
At 1 January 2023		279,373	4,269	583,222	19,395	886,259
Additions		–	–	6,192	69,715	75,907
Transfers from other branches/subsidiaries		–	–	–	168,229	168,229
Impairment		–	–	–	(2,836)	(2,836)
Disposals/write-offs		–	–	(21,791)	–	(21,791)
Transfers		–	–	253,636	(253,636)	–
At 31 December 2023 and at 1 January 2024		279,373	4,269	821,259	867	1,105,768
Additions		–	–	16,928	54,507	71,435
Transfers from other branches/subsidiaries		–	–	–	110,894	110,894
Impairment		–	–	–	(1,196)	(1,196)
Disposals/write-offs		–	–	(70,185)	(5,491)	(75,676)
Transfers		–	–	158,591	(158,591)	–
At 31 December 2024		279,373	4,269	926,593	990	1,211,225
Accumulated depreciation						
At 1 January 2023		–	4,269	212,460	–	216,729
Amortisation during the year	36	–	–	112,650	–	112,650
Disposals/write-offs		–	–	(21,791)	–	(21,791)
Impairment		–	–	12,073	–	12,073
At 31 December 2023 and at 1 January 2024		–	4,269	315,392	–	319,661
Amortisation during the year	36	–	–	124,644	–	124,644
Disposals/write-offs		–	–	(4,931)	–	(4,931)
Impairment		–	–	3,956	–	3,956
At 31 December 2024		–	4,269	439,061	–	443,330
Carrying amounts						
At 31 December 2023		279,373	–	505,867	867	786,107
At 31 December 2024		279,373	–	487,532	990	767,895

20. Goodwill and intangible assets (cont'd)

Intangible assets comprise customer relationships which are amortised over the expected future economic benefits to be derived from these customer relationships. The Bank has evaluated the useful life of these customer relationships, and determined that the initial estimated useful life of 7 years remains appropriate.

An annual assessment is made as to whether the current carrying amount of goodwill is impaired. For the purposes of impairment testing, goodwill is allocated at the date of acquisition to a cash-generating unit ("CGU"). The CGU was determined to be the retail banking business in Singapore. Goodwill is considered impaired if the carrying amount of the CGU exceeds its recoverable amount. The recoverable amount of the CGU was measured based on its value-in-use. The key assumptions used in determining the recoverable amount is set out below and are solely estimates for the purposes of assessing impairment of goodwill.

The following table sets out the pre-tax discount rate and long-term GDP growth rates used in determining value-in-use:

	Group and Bank	
	2024	2023
	%	%
Pre-tax discount rate	12.43	12.49
Long-term forecast GDP growth rates	2.31	2.12

The calculation of value-in-use is calculated using five-year cash flow projections and an estimated terminal value based on a perpetuity value after year five. These cash flows are discounted using pre-tax discount rates which reflect market rates appropriate to the CGU. The perpetuity terminal value amount is calculated using year five cash flows using long-term GDP growth rates.

The cash flow projections are based on budgets and forecasts approved by management covering five years to 2028. Management has assumed an average projected revenue growth rate of 9% (2023: 5%) in the five-year forecast, which is based on expectations of future outcomes taking into account past experience, adjusted for the anticipated growth.

The key assumptions described above may change as economic and market conditions change.

At 31 December 2024 and 2023, the results of the annual assessment indicate that there is no impairment on goodwill. Management believes that a reasonable possible change in any of the key assumptions on which the recoverable amount has been based would not cause the carrying amount to exceed the recoverable amount.

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21. Deposits and balances of banks

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Designated at fair value through profit or loss	176,680	340,051	176,680	340,051
At amortised cost	5,589,012	6,799,247	4,774,381	6,008,695
	5,765,692	7,139,298	4,951,061	6,348,746
Maturity analysis:				
Within 7 days	2,842,591	4,628,479	2,140,283	3,915,259
Over 7 days to 1 month	136,354	745,346	75,546	745,346
Over 1 month to 3 months	1,456,457	1,075,736	1,448,943	998,404
Over 3 months to 1 year	786,101	144,325	742,100	144,325
Over 1 to 3 years	544,099	540,221	544,099	540,221
Over 3 years	90	5,191	90	5,191
	5,765,692	7,139,298	4,951,061	6,348,746

As at 31 December 2024, the deposits and balances of banks placed by a related party amounted to S\$247,000 (2023: S\$863,000).

22. Deposits of non-bank customers

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
At amortised cost	135,126,662	126,327,049	110,243,920	103,094,205
Maturity analysis:				
Within 7 days	96,355,060	90,362,842	77,007,011	72,667,227
Over 7 days to 1 month	12,577,081	9,853,474	11,336,856	8,578,402
Over 1 month to 3 months	10,362,905	12,001,594	8,912,835	10,504,316
Over 3 months to 1 year	15,699,862	13,662,080	12,920,577	11,294,451
Over 1 to 3 years	107,685	380,195	62,957	49,095
Over 3 years	24,069	66,864	3,684	714
	135,126,662	126,327,049	110,243,920	103,094,205

As at 31 December 2024, the deposits of non-bank customers placed by related parties amounted to S\$29,036,000 (2023: S\$30,523,000).

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23. Structured notes and deposits

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Designated at fair value through profit or loss	852,677	758,949	502,862	560,777
At amortised cost	1,626,903	130,824	1,626,903	130,824
	2,479,580	889,773	2,129,765	691,601
Maturity analysis:				
Within 7 days	13,602	17,100	13,602	–
Over 7 days to 1 month	19,688	126,212	1,667	123,731
Over 1 month to 3 months	390,082	156,433	192,247	134,988
Over 3 months to 1 year	476,193	397,554	359,908	350,518
Over 1 to 3 years	805,611	165,417	788,011	82,364
Over 3 years	774,404	27,057	774,330	–
	2,479,580	889,773	2,129,765	691,601

The structured notes and deposits include debt securities issued, credit-linked, fixed and floating rate notes, with maturities ranging from 10 February 2025 to 08 May 2026.

The structured notes and deposits also include listed debt issued by the Bank as follow:

- (i) Debt securities of approximately S\$41,393,000 (2023: S\$40,013,000) on Euronext Dublin and S\$Nil (2023: S\$88,393,000) on the Taipei Stock Exchange as part of the US\$25,000,000,000 (2023: US\$15,000,000,000) Notes, Certificates and Warrants Programme (“Programme”). Other than the Bank, its intermediate holding company and Standard Chartered Bank (Hong Kong) Limited also issued debt as part of the Programme.
- (ii) Issuance by the Bank of approximately S\$1,415,000,000 (2023: Nil) on the Singapore Exchange as part of the Bank’s Covered Bond Programme. The outstanding covered bonds were issued between 28 May 2024 and 2 October 2024 and mature between 28 May 2027 and 2 October 2028.

Pursuant to the Bank’s USD 5 billion Covered Bond Programme, selected pools of residential mortgages originated by the Bank have been assigned to a bankruptcy-remote structured entity, Banzu Covered Bond Pte Ltd. These residential mortgages continue to be recognised on the Bank’s balance sheet as the Bank remains exposed to the risks and rewards associated with them. The carrying amount of the assigned residential mortgages is approximately S\$3,932,000,000 (2023: Nil).

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24. Other liabilities

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Non-financial liabilities:				
Provision for employee related expenses	341,671	328,932	270,426	263,436
Impairment allowance for contingent liabilities (a)	43,458	45,060	26,159	32,259
Liability for short-term accumulated compensated absences	13,341	17,185	9,965	13,605
Sundry accruals and deferred income ¹	805,100	839,169	755,752	795,569
Others	31,174	33,453	11,283	12,827
	1,234,744	1,263,799	1,073,585	1,117,696
Financial liabilities:				
<u>Interest payable</u>				
- Intermediate holding company and its branches	24,946	27,140	22,110	21,662
- Related corporations	17,840	17,503	13,668	11,912
- Subsidiaries	—	—	139,133	77,680
- Others	445,685	433,473	379,972	350,982
	488,471	478,116	554,883	462,236
Lease liabilities	229,622	240,951	206,574	220,267
Unsettled payables, settlement and clearing balances	1,746,090	268,122	1,486,896	13,881
Sundry payables	473,422	364,882	378,420	289,020
Amounts due to loan sub-participants	809,033	960,141	809,033	960,141
Cash collaterals	486,954	328,930	327,410	91,991
Others	256,444	193,151	250,855	190,585
	4,490,036	2,834,293	4,014,071	2,228,121
	5,724,780	4,098,092	5,087,656	3,345,817

¹ Includes deferred fee income of S\$559,547,000 (2023: S\$614,309,000) arising from a 15 year regional distribution agreement entered with Prudential, to be amortised on a straight-line basis. The income will be earned evenly over the next 7.5 years (2023: 8.5 years). For the 12 months ended 31 December 2024, S\$54,761,000 (2023: S\$110,567,000) of fee income was released from deferred income.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2024

24. Other liabilities (cont'd)

(a) Movement in impairment allowance for undrawn commitments and financial guarantees is as follows:

Group	Notes	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Undrawn commitments and financial guarantees					
Balance at 1 January 2024		8,608	4,470	31,982	45,060
Transfer to Stage 1		10,345	(10,345)	—	—
Transfer to Stage 2		(3,938)	3,938	—	—
Transfer to Stage 3		—	(747)	747	—
Net remeasurement of loss allowance		(4,321)	16,777	(10,081)	2,375
New financial assets purchased or originated during the period		13,051	—	—	13,051
Financial assets that have been derecognised		(11,268)	(1,047)	(1,647)	(13,962)
Net charge/(release) against profit	37	(2,538)	15,730	(11,728)	1,464
Foreign exchange and other movements		216	177	(3,459)	(3,066)
At 31 December 2024		12,693	13,223	17,542	43,458

Group	Notes	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Undrawn commitments and financial guarantees					
Balance at 1 January 2023		7,286	9,236	33,829	50,351
Transfer to Stage 1		9,687	(9,687)	—	—
Transfer to Stage 2		(20,178)	20,178	—	—
Transfer to Stage 3		(19)	(85)	104	—
Net remeasurement of loss allowance		(6,561)	984	(576)	(6,153)
New financial assets purchased or originated during the period		27,577	—	—	27,577
Financial assets that have been derecognised		(8,940)	(15,628)	(395)	(24,963)
Net charge/(release) against profit	37	12,076	(14,644)	(971)	(3,539)
Foreign exchange and other movements		(244)	(528)	(980)	(1,752)
At 31 December 2023		8,608	4,470	31,982	45,060

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2024

24. Other liabilities (cont'd)

(a) Movement in impairment allowance for undrawn commitments and financial guarantees is as follows (cont'd):

Bank	Notes	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Undrawn commitments and financial guarantees					
Balance at 1 January 2024		5,330	2,515	24,414	32,259
Transfer to Stage 1		8,420	(8,420)	–	–
Transfer to Stage 2		(3,091)	3,091	–	–
Transfer to Stage 3		–	–	–	–
Net remeasurement of loss allowance		(1,931)	14,903	(14,906)	(1,934)
New financial assets purchased or originated during the period		6,150	–	–	6,150
Financial assets that have been derecognised		(5,504)	(241)	(1,143)	(6,888)
Net charge/(release) against profit	37	(1,285)	14,662	(16,049)	(2,672)
Foreign exchange and other movements		70	111	(3,609)	(3,428)
At 31 December 2024		9,444	11,959	4,756	26,159

Bank	Notes	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Undrawn commitments and financial guarantees					
Balance at 1 January 2023		5,365	7,494	24,484	37,343
Transfer to Stage 1		8,284	(8,284)	–	–
Transfer to Stage 2		(19,571)	19,571	–	–
Transfer to Stage 3		–	–	–	–
Net remeasurement of loss allowance		(11,100)	(14,437)	470	(25,067)
New financial assets purchased or originated during the period		26,507	–	–	26,507
Financial assets that have been derecognised		(4,040)	(1,382)	(83)	(5,505)
Net charge/(release) against profit	37	11,367	(15,819)	387	(4,065)
Foreign exchange and other movements		(115)	(447)	(457)	(1,019)
At 31 December 2023		5,330	2,515	24,414	32,259

Notes to the financial statements
For the financial year ended 31 December 2024

	Group	Bank
	2024 S\$'000	2023 S\$'000
At amortised cost	3,738,019	3,568,810
	3,585,998	3,149,254
	Group S\$'000	Bank S\$'000
Issued by the Bank:		
US\$540 million Floating Rate Subordinated Notes due 2030 Callable in 2025	(a) 734,535	711,547
US\$400 million Floating Rate Subordinated Notes due 2030 Callable in 2025	(b) 544,100	527,072
US\$550 million Floating Rate Subordinated Notes due 2032 Callable in 2027	(c) 748,138	724,723
US\$400 million Floating Rate Subordinated Notes due 2033 Callable in 2028	(d) 544,100	527,072
US\$500 million Floating Rate Subordinated Notes due 2033 Callable in 2028	(e) 680,125	658,840
S\$335 million Floating Rate Subordinated Notes due 2034 Callable in 2029	(f) 335,000	–
	3,585,998	3,149,254
Issued by Subsidiaries:		
RM500 million Floating Rate Subordinated Bonds due 2028 Callable in 2023	(g) –	143,898
RM500 million Floating Rate Subordinated Bonds due 2029 Callable in 2024	(h) 152,021	143,898
US\$100 million Floating Rate Subordinated Notes due 2029 Callable in 2024	(i) –	131,760
Total Subordinated Notes	3,738,019	3,568,810

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
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25. Subordinated notes (cont'd)

- (a) Interest is payable quarterly at the US SOFR plus 2.21% per annum to Standard Chartered PLC (2023: quarterly at the US SOFR plus 2.21% per annum).
- (b) Interest is payable quarterly at the US SOFR plus 2.86% per annum to Standard Chartered Bank (2023: quarterly at the US SOFR plus 2.86% per annum).
- (c) Interest is payable quarterly at the US SOFR plus 3.25% per annum to Standard Chartered Bank (2023: quarterly at the US SOFR plus 3.25% per annum).
- (d) Interest is payable quarterly at the US SOFR plus 3.06% per annum to Standard Chartered Bank (2023: quarterly at the US SOFR plus 3.06% per annum).
- (e) Interest is payable quarterly at the US SOFR plus 3.15% per annum to Standard Chartered Bank (2023: quarterly at the US SOFR plus 3.15% per annum).
- (f) Interest is payable quarterly at the SGD SORA plus 2.15% per annum to Standard Chartered Bank.
- (g) Interest is payable semi-annually at the 6-month KLIBOR plus 1.38% per annum to Standard Chartered Bank. The subordinated notes are excluded from the computation of regulatory capital for the Group (2023: 6-month KLIBOR plus 1.38% per annum). The subordinated notes were fully redeemed in October 2024.
- (h) Interest is payable semi-annually at the 6-month KLIBOR plus 1.20% per annum to Standard Chartered Bank. The subordinated notes are excluded from the computation of regulatory capital for the Group (2023: 6-month KLIBOR plus 1.20% per annum).
- (i) Interest is payable annually at the US SOFR plus 2.71% per annum to Standard Chartered Bank. The subordinated notes are excluded from the computation of regulatory capital for the Group (2023: US SOFR plus 2.71% per annum). The subordinated notes were fully redeemed in September 2024.

The Group has not had any default of principal, interest or other breaches with respect to the notes issued.

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Group S\$'000	Bank S\$'000
At 1 January 2024	3,568,810	3,149,254
Changes from financing cash flows:		
- Redemption of subordinated notes	(276,035)	—
- Proceeds from issue of subordinated notes	335,000	335,000
- Effect of exchange rate changes	110,244	101,744
At 31 December 2024	3,738,019	3,585,998
At 1 January 2023	2,440,928	2,000,779
Changes from financing cash flows:		
- Proceeds from issue of subordinated notes	1,207,875	1,207,875
- Effect of exchange rate changes	(79,993)	(59,400)
At 31 December 2023	3,568,810	3,149,254

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Notes to the financial statements
For the financial year ended 31 December 2024

26. Deferred tax

Movements in deferred tax liabilities and assets during the year are as follows:

Group	At 1 January 2023 S\$'000	Statement of profit or loss (Note 38) S\$'000	Translation difference S\$'000	Fair value through other comprehensive income S\$'000	Cash flow hedge reserve S\$'000	OCA reserve S\$'000	At 31 December 2023 S\$'000	Statement of profit or loss (Note 38) S\$'000	Translation difference S\$'000	Fair value through other comprehensive income S\$'000	Cash flow hedge reserve S\$'000	OCA reserve S\$'000	At 31 December 2024 S\$'000
Deferred tax liabilities													
<i>Deferred tax assets/(liabilities)</i>													
Property and equipment	(2,669)	(379)	-	-	-	-	(3,048)	(823)	-	-	-	-	(3,871)
Intangible assets	(52,670)	(15,398)	-	-	-	-	(68,068)	2,119	-	-	-	-	(65,949)
(capitalised software plus GE intangibles)	3,520	5	(2)	(248)	-	-	3,275	209	2	(4,615)	-	-	(1,129)
Government and other debt securities	(21,122)	101	-	-	-	-	(21,021)	(6,456)	(82)	-	-	-	(27,477)
Expected credit loss	3,496	-	(2)	-	(6,205)	35	(2,711)	-	(2)	-	4,986	-	2,193
Derivatives held for hedging	(50)	-	1	-	-	-	(14)	-	(2)	-	-	(60)	(76)
Own credit adjustment	22,054	3,275	-	-	-	-	25,329	7,551	-	-	-	-	32,880
Share options	(5,026)	(3,219)	-	-	-	-	(8,245)	5,623	-	-	-	-	(2,622)
Others	(52,467)	(15,615)	(3)	(248)	(6,205)	35	(74,503)	8,223	(82)	(4,615)	4,986	(60)	(66,051)
Net deferred tax liabilities													
Deferred tax assets													
<i>Deferred tax assets/(liabilities)</i>													
Property and equipment	41	-	(465)	13	-	-	(411)	-	3,250	105	-	-	2,944
Intangible assets	(7,825)	-	(3,369)	574	-	-	(10,620)	-	(3,436)	(754)	-	-	(14,810)
(capitalised software plus GE intangibles)	9,299	-	(123)	(279)	(4,675)	-	4,222	-	(19)	91	-	-	1,893
Government and other debt securities	9,396	613	(474)	(5)	(5)	-	9,530	-	2,715	438	-	-	12,683
Expected credit loss	(629)	-	-	2	-	558	(69)	-	-	7	260	-	198
Derivatives held for hedging	(40)	-	-	-	-	-	25	-	625	23	-	105	136
Own credit adjustment	-	-	-	-	-	-	-	-	-	-	-	-	648
Share options	62,263	-	(8,874)	(2,472)	(110)	-	50,807	1,306	25,429	1,306	-	-	26,735
Tax losses carried forward	-	-	-	-	-	-	-	(26,584)	1,218	(1,394)	-	-	25,353
Others	-	-	-	-	-	-	-	-	-	-	-	-	-
Net deferred tax assets	72,505	-	(12,218)	(2,636)	(4,790)	558	53,484	1,306	1,980	2,440	260	105	55,780

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Notes to the financial statements
For the financial year ended 31 December 2024

26. Deferred tax (cont'd)

Bank	At 1 January 2023 S\$'000	Statement of profit or loss (Note 38) S\$'000	Translation difference S\$'000	Fair value through other comprehensive income S\$'000	Cash flow hedge reserve S\$'000	OCA reserve S\$'000	At 31 December 2023 and at 1 January 2024 S\$'000	Statement of profit or loss (Note 38) S\$'000	Translation difference S\$'000	Fair value through other comprehensive income S\$'000	Cash flow hedge reserve S\$'000	OCA reserve S\$'000	At 31 December 2024 S\$'000
Deferred tax liabilities													
<i>Deferred tax assets/(liabilities)</i>													
Property and equipment	(2,669)	(379)	-	-	-	-	(3,048)	(823)	-	-	-	-	(3,871)
Intangible assets (capitalised software plus GE intangibles)	(52,670)	(15,398)	-	-	-	-	(68,068)	2,119	-	-	-	-	(65,949)
Government and other debt securities	3,520	5	(2)	(248)	-	-	3,275	209	2	(4,615)	-	-	(1,129)
Expected credit loss	(21,122)	101	-	-	-	-	(21,021)	(6,456)	-	-	-	-	(27,477)
Derivatives held for hedging	3,496	-	(3)	-	(6,204)	-	(2,711)	-	(82)	-	4,986	-	2,193
Own credit adjustment	(50)	-	1	-	-	35	(14)	-	(2)	-	-	(60)	(76)
Share options	22,054	3,275	-	-	-	-	25,329	7,551	-	-	-	-	32,880
Others	(5,026)	(3,219)	-	-	-	-	(8,245)	5,623	-	-	-	-	(2,622)
Net deferred tax liabilities	(52,467)	(15,615)	(4)	(248)	(6,204)	35	(74,503)	8,223	(82)	(4,615)	4,986	(60)	(66,051)

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2024

27. Share capital, other equity instruments and reserves

Share capital

	Ordinary shares		Non-cumulative redeemable preference shares					
			Class B		Class C		Class D	
	2024	2023	2024	2023	2024	2023	2024	2023
	No. of shares	No. of shares	No. of shares	No. of shares	No. of shares	No. of shares	No. of shares	No. of shares
	million	million						
In issue at 1 January	5,975	5,975	2,500	2,500	3,750	3,750	2,000	–
Issued for cash	–	–	–	–	–	–	–	2,000
Redeemed by cash	–	–	–	–	(3,750)	–	–	–
In issue at 31 December	5,975	5,975	2,500	2,500	–	3,750	2,000	2,000

	2024	2023
	S\$'000	S\$'000
Ordinary shares	7,690,429	7,690,429
Non-cumulative redeemable preference shares	1,081,209	1,831,209
	8,771,638	9,521,638

On 3 October 2024, 3,750 non-cumulative Tier 1 preference shares were redeemed from Standard Chartered PLC for a total consideration of S\$750 million.

On 14 June 2023, a total of 2,000 fixed rate perpetual, non-cumulative Tier 1 preference shares were issued to Standard Chartered Bank at an issue price of S\$200,000 each, for a total consideration of S\$400 million.

The holder of ordinary shares is entitled to receive dividends as declared by the Board of Directors from time to time and is entitled to one vote per share at meetings of the Bank. All shares rank equally with regard to the Bank's residual assets, except that the preference shareholder participates only to the extent of the face value of the shares.

The holder of non-cumulative redeemable preference shares is entitled to receive any non-cumulative preferential cash dividend to be declared at the sole discretion of the Board. The non-cumulative redeemable preference shares rank in priority to the Bank's ordinary shares. The Bank has an optional call date on the Class B, Class C and Class D preference shares from 12 April 2026, 3 October 2024 and 20 October 2028 respectively. The non-cumulative redeemable preference shares qualify as Additional Tier 1 capital of the Bank.

Other equity instruments

On 19 September 2024, the Bank issued perpetual capital securities to Standard Chartered Bank with a face value of S\$750 million. The capital securities are callable from September 2029. The securities qualify as Additional Tier 1 capital under "Notice on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore" (MAS Notice 637).

Standard Chartered Bank (Singapore) Limited and its subsidiaries**Notes to the financial statements
For the financial year ended 31 December 2024****27. Share capital, other equity instruments and reserves (cont'd)*****Dividends***

The following one-tier tax exempt dividends were declared and paid by the Group and Bank.

	Group and Bank	
	2024	2023
	S\$'000	S\$'000
S\$0.10 per ordinary share (2023: S\$0.28)	590,820	1,676,991
S\$5,389.73 per non-cumulative redeemable preference share (Class C) (2023: S\$5,389.73)	20,211	20,211
S\$5,389.73 per non-cumulative redeemable preference share (Class C) (2023: S\$5,360.27)	20,211	20,101
S\$14,032.35 per non-cumulative redeemable preference share (Class B) (2023: S\$11,697.13)	35,082	29,243
S\$13,437.17 per non-cumulative redeemable preference share (Class B) (2023: S\$13,813.56)	33,593	34,534
\$7,544.58 per non-cumulative redeemable preference share (Class D) (2023: \$5,054.09)	15,089	10,108
\$7,446.42 per non-cumulative redeemable preference share (Class D) (2023: \$Nil)	14,893	–
	729,899	1,791,188

Exchange translation reserve

The exchange translation reserve comprises the translation differences arising from translating the US\$ book of the Bank and the subsidiaries' non-S\$ functional currencies to the Group's presentation currency, which is the Singapore dollar.

Fair value through other comprehensive income reserve

The fair value through other comprehensive income reserve comprises the cumulative net change in the fair value of securities held at fair value through other comprehensive income until the securities are derecognised or impaired.

Cash flow hedge reserve

The cash flow hedge reserve comprises the effective portion of the cumulative net change in the fair value of derivatives that are designated and qualify as cash flow hedge.

Own credit adjustment reserve

The own credit adjustment ("OCA") reserve represents the cumulative gains and losses on financial liabilities designated at fair value through profit or loss relating to own credit. On derecognition of applicable instruments, the balance of any OCA will not be recycled to the profit or loss but will be transferred within equity to retained earnings.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2024

27. Share capital, other equity instruments and reserves (cont'd)

Regulatory loss allowance reserve

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

28. Contingent liabilities and commitments

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Contingent liabilities:				
Direct credit substitutes	5,320,890	3,236,084	4,760,018	3,073,612
Transaction-related contingencies	6,480,755	6,608,586	4,331,610	4,538,316
Trade-related contingencies	46,089	301,688	21,945	157,140
	11,847,734	10,146,358	9,113,573	7,769,068
Contingent liabilities, of which				
- Less than one year	9,471,978	8,090,481	7,687,379	6,566,898
- One to five years	2,191,226	1,830,297	1,330,200	1,092,732
- More than five years	184,530	225,580	95,994	109,438
	11,847,734	10,146,358	9,113,573	7,769,068
Commitments:				
Undrawn credit lines and other commitments to extend credit ^(a)				
- Less than one year	1,714,914	1,654,379	1,438,495	1,490,393
- More than one year	10,047,299	8,711,493	9,884,227	8,319,760
- Unconditionally cancellable	48,561,675	42,797,961	37,054,508	33,756,230
Forward loans placed ^(a)	43,392	47,207	587,492	47,207
	60,367,280	53,211,040	48,964,722	43,613,590

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Notes to the financial statements
For the financial year ended 31 December 2024

28. Contingent liabilities and commitments (cont'd)

- (a) Relates to transactions where the Group has confirmed its intention to provide funds to or on behalf of a customer in the form of loans, overdrafts, future guarantees or letters of credit which payments have not been made.

As at 31 December 2024, forward loans placed by the Bank with related parties amounted to S\$587,492,000 (2023: S\$47,207,000).

29. Leases

Leases as lessee

The Group primarily enters lease contracts that grant it the right to use premises such as office premises and retail branches. The leases typically run for a period of 3 years for branch and 5 years for office, with option to renew the lease after expiry. Rental are negotiated every renewal based on the then prevailing market rent.

The right-of-use asset balances and depreciation charges are disclosed in Note 17.

Amounts recognised in profit or loss

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Lease under</u>				
<u>SFRS(I) 16</u>				
Interest on lease liabilities	10,747	10,537	10,155	9,776
Expenses relating to leases of low-value assets	677	622	9	2

Amounts recognised in cash flows statement

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Total cash outflow for leases	38,731	38,622	25,989	26,015

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2024

29. Leases (cont'd)

Leases as lessor

Operating lease

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
<u>Operating leases under SFRS(I) 16</u>				
Less than one year	128	128	128	128
One to two years	128	128	128	128
Two to three years	106	128	106	128
Three to four years	–	106	–	106
Total	362	490	362	490

30. Unconsolidated structured entities

Unconsolidated structured entities are all structured entities that are not controlled by the Group. The Group enters into transactions with unconsolidated structured entities as part of the normal course of business to facilitate customer transactions and for specific investment opportunities. An interest in a structured entity is contractual or non-contractual involvement which creates variability of the returns of the Group arising from the performance of the structured entity.

The table below presents the carrying amount of the assets recognised in the financial statements relating to variable interests held in unconsolidated structured entities, the maximum exposure to loss relating to those interests and the total assets of the structured entities. Maximum exposure to loss is primarily limited to the carrying amount of the Group's on-balance sheet exposure to the structured entity. For commitments and contingent liabilities, the maximum exposure to loss is the notional amount of potential future losses.

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Total interest – assets	10,367,350	9,116,225	9,639,333	8,587,049
Off balance sheet	1,563,039	1,520,181	1,366,009	1,419,020
Maximum exposure to loss	11,930,389	10,636,406	11,005,342	10,006,069
Total assets of structured entities	21,732,421	24,141,417	21,004,404	23,610,224

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Notes to the financial statements
For the financial year ended 31 December 2024

31. Interest income and expense

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Interest income:				
Intermediate holding company and its branches	378,713	419,420	348,062	397,889
Related corporations	51,699	20,871	50,450	20,083
Subsidiaries	—	—	84,704	10,784
Others	6,081,597	5,709,851	4,929,905	4,671,952
	6,512,009	6,150,142	5,413,121	5,100,708
Interest expense:				
Intermediate holding company and its branches	(351,288)	(236,339)	(320,648)	(202,150)
Related corporations	(178,396)	(109,565)	(80,720)	(56,142)
Subsidiaries	—	—	(300,136)	(180,438)
Others	(4,262,115)	(3,500,655)	(3,689,777)	(3,016,863)
	(4,791,799)	(3,846,559)	(4,391,281)	(3,455,593)

Standard Chartered Bank (Singapore) Limited and its subsidiaries

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31. Interest income and expense (cont'd)

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Interest income includes:				
Income arising from impaired financial assets	19,508	24,099	7,340	10,545
Income arising from financial assets not at fair value through profit or loss, of which:				
- Income arising from financial assets held at amortised cost	6,086,201	5,915,546	5,145,115	4,937,079
- Income arising from financial assets held at fair value through other comprehensive income	406,300	210,497	260,666	153,084
	<u>6,512,009</u>	<u>6,150,142</u>	<u>5,413,121</u>	<u>5,100,708</u>
Interest expense includes:				
Expense arising from financial liabilities not at fair value through profit or loss	(4,791,799)	(3,846,559)	(4,391,281)	(3,455,593)
	<u>(4,791,799)</u>	<u>(3,846,559)</u>	<u>(4,391,281)</u>	<u>(3,455,593)</u>

32. Fee and commission income and expense

The Group applies the following practical expedients:

- Information on amounts of transaction price allocated to unsatisfied (or partially unsatisfied) performance obligations at the end of the reporting period is not disclosed as almost all fee-earning contracts have an expected duration of less than one year
- Promised consideration is not adjusted for the effects of a significant financing component as the period between the Group providing a service and the customer paying for it is expected to be less than one year
- Incremental costs of obtaining a fee-earning contract are recognised upfront in 'Fees and commission expense' rather than amortised, if the expected term of the contract is less than one year

The determination of the services performed for the customer, the transaction price, and when the services are completed depends on the nature of the product with the customer. The main considerations on income recognition by product are as follows:

Transaction banking

The Group recognises fee income associated with transactional trade and cash management at the point in time the service is provided. The Group recognises income associated with trade contingent risk exposures (such as letters of credit and guarantees) over the period in which the service is provided.

Payment of fees is usually received at the same time the service is provided. In some cases, letters of credit and guarantees issued by the Group have annual upfront premiums, which are amortised on a straight-line basis to fee income over the year.

Global markets

The Group recognises fee income at the point in time the service is provided. Fee income is recognised for a significant non-lending service when the transaction has been completed and the terms of the contract with the customer entitle the Group to the fee. This includes fees such as structuring and advisory fees. Fees are usually received shortly after the service is provided.

Syndication fees are recognised when the syndication is complete defined as achieving the final approved hold position. Fees are generally received before completion of the syndication, or within 12 months of the transaction date.

Securities services include custody services, fund accounting and administration, and broker clearing. Fees are recognised over the period the custody or fund management services are provided, or as and when broker services are requested.

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Notes to the financial statements For the financial year ended 31 December 2024

32. Fee and commission income and expense (cont'd)

Wealth management

Upfront consideration on bancassurance agreements is amortised straight-line over the contractual term. Commissions for bancassurance activities are recorded as they are earned through sales of third-party insurance products to customers. These commissions are received within a short time frame of the commission being earned. Target-linked fees are accrued based on a percentage of the target achieved, provided it is assessed as highly probable that the target will be met. Cash payment is received at a contractually specified date after achievement of a target has been confirmed.

Upfront and trailing commissions for managed investment placements are recorded as they are confirmed. Income from these activities is relatively even throughout the period, and cash is usually received within a short time frame after the commission is earned.

Retail products

The Group recognises most income at the point in time the Group is entitled to the fee, since most services are provided at the time of the customer's request.

In most of our retail markets there are circumstances under which fees are waived, income recognition is adjusted to reflect customer's intent to pay the annual fee. The Group defers the fair value of reward points on its credit card reward programmes, and recognises income and costs associated with fulfilling the reward at the time of redemption.

The following tables summarise the fee and commission income and expense breakdown:

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Fee and commission income:				
Intermediate holding company and its branches	165,741	41,867	135,093	23,819
Related corporations	73,705	51,123	66,940	43,164
Subsidiaries	—	—	13,966	2,987
Others	1,644,551	1,399,640	1,417,070	1,195,237
	1,883,997	1,492,630	1,633,069	1,265,207
Corporate & Investment Banking	638,124	411,703	526,804	300,535
Wealth & Retail Banking	1,194,431	1,049,228	1,105,873	964,192
Other banking	1,244	863	392	480
Ventures	50,198	30,836	—	—
	1,883,997	1,492,630	1,633,069	1,265,207

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32. Fee and commission income and expense (cont'd)

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Fee and commission expense:				
Intermediate holding company and its branches	(256,181)	(175,823)	(237,695)	(160,448)
Related corporations	(251,704)	(213,460)	(210,055)	(174,604)
Subsidiaries	—	—	(12,024)	(15,837)
Others	(209,340)	(179,371)	(134,147)	(117,717)
	(717,225)	(568,654)	(593,921)	(468,606)
Corporate & Investment Banking	(373,534)	(271,128)	(322,880)	(232,774)
Wealth & Retail Banking	(312,335)	(271,804)	(269,403)	(234,717)
Other banking	(2,362)	(1,668)	(1,638)	(1,115)
Ventures	(28,994)	(24,054)	—	—
	(717,225)	(568,654)	(593,921)	(468,606)
Fee and commission income:	1,883,997	1,492,630	1,633,069	1,265,207
Financial instruments that are not fair valued through profit or loss	521,113	431,336	396,502	314,395
Trust and other fiduciary activities	237,155	181,370	192,548	138,858
Fee and commission expense:	(717,225)	(568,654)	(593,921)	(468,606)
Financial instruments that are not fair valued through profit or loss	(296,003)	(213,873)	(227,710)	(164,868)
Trust and other fiduciary activities	(40,050)	(40,208)	(32,465)	(34,136)
Net fee and commission income	1,166,772	923,976	1,039,148	796,601

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32. Fee and commission income and expense (cont'd)

32.1 Net fee and commission by product

Group	2024				2023			
	Corporate & Investment Banking	Wealth & Retail Banking	Other banking	Total	Corporate & Investment Banking	Wealth & Retail Banking	Other banking	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Transaction Services	141,667	11,112	—	152,779	98,621	15,074	(43)	113,652
Payments and Liquidity	(4,025)	—	—	(4,025)	(18,830)	6,663	—	(12,167)
Securities Services	57,530	—	—	57,530	44,842	—	—	44,842
Trade and Working Capital	88,162	11,112	—	99,274	72,609	8,411	(43)	80,977
Global Banking	120,200	—	—	120,200	135,732	—	—	135,732
Lending and Financial Solutions	100,000	—	—	100,000	119,314	—	—	119,314
Capital Market and Advisory	20,200	—	—	20,200	16,418	—	—	16,418
Global Markets	3,159	—	—	3,159	(93,460)	—	—	(93,460)
Macro Trading	7,208	—	—	7,208	(77,370)	—	—	(77,370)
Credit Trading	3,260	—	—	3,260	(10,415)	—	—	(10,415)
Valuation and Other Adj	(7,309)	—	—	(7,309)	(5,675)	—	—	(5,675)
Wealth solutions	55	820,182	—	820,725	120	707,388	—	707,790
Investment Products	55	444,584	—	445,127	120	328,461	—	328,863
Bancassurance	—	375,598	—	375,598	—	378,927	—	378,927
CCPL and Other Unsecured Lending	—	52,235	—	72,951	—	54,264	—	60,764
Deposits	—	(10,422)	—	(10,422)	6	(10,010)	—	(10,004)
Mortgages and Other Secured Lending	—	10,723	—	10,723	7	11,513	—	11,520
Treasury	—	—	(1,626)	(1,626)	—	—	(1,242)	(1,242)
Other Products	(491)	(1,734)	508	(1,717)	(451)	(805)	480	(776)
Net fee and commission income	264,590	882,096	(1,118)	1,166,772	140,575	777,424	(805)	923,976

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
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32. Fee and commission income and expense (cont'd)

32.1 Net fee and commission by product (cont'd)

Bank	2024					2023				
	Corporate & Investment Banking	Wealth & Retail Banking	Other banking	Total		Corporate & Investment Banking	Wealth & Retail Banking	Other banking	Total	
	S\$'000	S\$'000	S\$'000	S\$'000		S\$'000	S\$'000	S\$'000	S\$'000	
Transaction Services	72,907	10,185	—	83,092	25,954	14,443	—	—	40,397	
Payments and Liquidity	(25,706)	—	—	(25,706)	(40,890)	6,779	—	—	(34,111)	
Securities Services	33,003	—	—	33,003	15,182	—	—	—	15,182	
Trade and Working Capital	65,610	10,185	—	75,795	51,662	7,664	—	—	59,326	
Global Banking	119,759	—	—	119,759	124,861	—	—	—	124,861	
Lending and Financial Solutions	99,898	—	—	99,898	110,653	—	—	—	110,653	
Capital Market and Advisory	19,861	—	—	19,861	14,208	—	—	—	14,208	
Global Markets	11,753	—	—	11,753	(82,631)	—	—	—	(82,631)	
Macro Trading	16,565	—	—	16,565	(66,422)	—	—	—	(66,422)	
Credit Trading	2,497	—	—	2,497	(10,535)	—	—	—	(10,535)	
Valuation and Other Adj	(7,309)	—	—	(7,309)	(5,674)	—	—	—	(5,674)	
Wealth solutions	—	784,691	—	784,691	—	679,224	—	—	679,224	
Investment Products	—	420,614	—	420,614	—	313,690	—	—	313,690	
Bancassurance	—	364,077	—	364,077	—	365,534	—	—	365,534	
CCPL and Other Unsecured Lending	—	45,113	—	45,113	—	37,753	—	—	37,753	
Deposits	—	(12,600)	—	(12,600)	—	(12,373)	—	—	(12,373)	
Mortgages and Other Secured Lending	—	10,029	—	10,029	—	10,316	—	—	10,316	
Treasury	—	—	(1,221)	(1,221)	—	—	—	(933)	(933)	
Other Products	(495)	(948)	(25)	(1,468)	(423)	112	298	—	(13)	
Net fee and commission income	203,924	836,470	(1,246)	1,039,148	67,761	729,475	(635)	—	796,601	

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Notes to the financial statements
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33. Dealing and foreign exchange income

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Gains from foreign exchange revaluation and foreign exchange dealing	1,476,318	1,357,260	1,235,810	1,164,021
Losses from other derivative dealing	(492,596)	(546,708)	(328,865)	(565,534)
Gains from government and other securities dealing	1,091,016	782,434	816,300	647,313
	2,074,738	1,592,986	1,723,245	1,245,800
Gains on instruments held for trading	1,955,374	1,381,746	1,635,917	1,072,979
Losses from fair value hedging	(1,564)	(1,373)	(1,291)	(811)
(Losses)/gains on instruments designated at fair value	(50,070)	21,584	(49,835)	21,320
Gains on financial assets mandatorily at fair value through profit or loss	170,998	191,029	138,454	152,312
	2,074,738	1,592,986	1,723,245	1,245,800

34. Other income

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Losses on disposal of securities measured at fair value through other comprehensive income	(28,387)	(26,483)	(28,290)	(26,261)
Losses on disposal of financial assets measured at amortised cost	(5,697)	(21,621)	(5,194)	(21,621)
Mark-up on share of cost recharged to intermediate holding company and its branches	3,560	3,633	3,560	3,633
Others	23,129	29,277	12,476	14,060
	(7,395)	(15,194)	(17,448)	(30,189)

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35. Staff costs

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Salaries and allowances, bonuses and commission	1,362,846	1,300,593	1,103,195	1,043,892
Contribution to defined contribution plan and benefit plan	86,483	85,031	61,292	59,630
Share based payments	155,972	118,157	148,418	110,944
Restructuring cost charge	38,157	19,731	31,519	16,738
Others	62,248	74,562	36,914	47,446
Head office allocation and share of cost recharges from group entities - net	(94,595)	(135,604)	(94,595)	(135,604)
	1,611,111	1,462,470	1,286,743	1,143,046

36. Other operating expenses

		Group		Bank	
	Note	2024	2023	2024	2023
		S\$'000	S\$'000	S\$'000	S\$'000
Amortisation of intangible assets	20	184,406	169,313	124,644	112,650
Auditor's remuneration		5,081	4,454	2,809	2,615
Depreciation of property and equipment	17	75,135	69,310	54,016	47,245
Maintenance and hire of property and equipment		51,702	56,789	39,114	44,681
Rent		1,242	1,046	9	2
Legal and consultancy fee		83,852	88,212	56,089	55,953
Advertising and publicity		63,783	69,234	42,027	46,555
Information technology related cost		106,857	144,706	16,502	31,735
Subscriptions		45,995	47,727	38,259	39,946
Travel and transport		21,741	21,518	18,837	18,320
Communication		13,381	13,370	7,610	7,701
Others		115,185	81,435	65,179	53,463
Head office allocation and share of cost recharges from group entities - net		732,813	568,803	413,312	299,507
		1,501,173	1,335,917	878,407	760,373

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37. Impairment losses/(release)

		Group		Bank	
	Note	2024	2023	2024	2023
		S\$'000	S\$'000	S\$'000	S\$'000
Net credit impairment on loans and advances to banks and customers and bills receivable	11	203,224	72,802	79,809	56,709
Net credit impairment relating to debt and government securities	11	180	(998)	136	(841)
Net credit impairment relating to undrawn commitments and financial guarantees	24	1,464	(3,539)	(2,672)	(4,065)
Impairment losses on other assets		11,603	21,071	10,521	15,093
		216,471	89,336	87,794	66,896

38. Income tax expense

		Group		Bank	
	Note	2024	2023	2024	2023
		S\$'000	S\$'000	S\$'000	S\$'000
Current tax expense:					
Current year		210,718	271,566	164,175	202,682
Overprovision in respect of prior year		6,064	(4,301)	5,116	(4,921)
		216,782	267,265	169,291	197,761
Deferred tax expense:					
Movements in temporary differences	26	(5,044)	24,336	(4,859)	11,589
Withholding tax expense		6,925	6,163	6,925	6,163
(Over)/under provision in respect of prior year	26	(5,159)	3,497	(3,364)	4,026
		213,504	301,261	167,993	219,539

The Group will be in scope of the new Pillar Two global minimum tax rules which were substantively enacted in Singapore and will be effective for financial years starting on or after 1 January 2025. The SFRS(I)-12 exception to recognise and disclose information about deferred taxes related to Pillar Two legislation has been applied.

The Group has assessed and determined that there's no Pillar Two top-up tax liability for 2024.

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Notes to the financial statements
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38. Income tax expense (cont'd)

Reconciliation of tax expense

The following represents a reconciliation between tax expense calculated based on the Singapore tax rate and the effective tax rate of the Group and the Bank:

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Profit before income tax	1,631,931	1,923,553	1,753,817	1,889,611
Tax calculated using Singapore tax rate of 17%	277,428	327,004	298,149	321,234
Tax effects of:				
Concessionary tax rates*	(112,589)	(94,171)	(112,589)	(94,171)
Expenses not deductible for tax purposes	42,716	28,957	21,454	19,539
Tax exempt revenue	(21,182)	(8,495)	(40,865)	(34,435)
Different tax rate in different countries	10,521	18,750	—	—
Unrecognised tax losses	15,613	21,758	—	—
Other items	(6,833)	2,100	(6,833)	2,104
Under/(over) provision in respect of prior year	905	(805)	1,752	(895)
Withholding tax expense	6,925	6,163	6,925	6,163
	213,504	301,261	167,993	219,539

* Chargeable income arising from the Bank's qualifying transactions is taxed at concessionary tax rates of 5% and 13.5% pursuant to the Financial Sector Incentive Scheme and 0% under Section 43H of the Income Tax Act.

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39. Geographical analysis

Geographical segment	Singapore S\$'000	Malaysia S\$'000	Thailand S\$'000	Vietnam S\$'000	Total S\$'000
2024					
Operating income	3,865,906	596,280	216,404	276,343	4,954,933
Operating expenses	(2,322,183)	(452,872)	(157,117)	(180,112)	(3,112,284)
Operating profit before impairment losses	1,543,723	143,408	59,287	96,231	1,842,649
Impairment losses	(121,008)	(43,213)	(26,777)	(25,473)	(216,471)
Profit from associates	5,753	—	—	—	5,753
Profit before income tax	1,428,468	100,195	32,510	70,758	1,631,931
Income tax expense	(167,995)	(23,759)	(7,177)	(14,573)	(213,504)
Profit for the year	1,260,473	76,436	25,333	56,185	1,418,427
Total assets	153,521,665	16,475,490	7,340,827	4,906,634	182,244,616
Total liabilities	144,557,288	14,760,967	6,296,211	4,432,085	170,046,551
Geographical segment	Singapore S\$'000	Malaysia S\$'000	Thailand S\$'000	Vietnam S\$'000	Total S\$'000
2023					
Operating income	3,696,474	594,391	205,579	309,713	4,806,157
Operating expenses	(2,054,422)	(425,075)	(142,405)	(176,485)	(2,798,387)
Operating profit before impairment losses	1,642,052	169,316	63,174	133,228	2,007,770
Impairment (losses)/release	(83,194)	12,468	(140)	(18,470)	(89,336)
Profit from associates	5,119	—	—	—	5,119
Profit before income tax	1,563,977	181,784	63,034	114,758	1,923,553
Income tax expense	(219,539)	(45,090)	(12,935)	(23,697)	(301,261)
Profit for the year	1,344,438	136,694	50,099	91,061	1,622,292
Total assets	136,866,668	15,666,756	6,559,901	6,966,668	166,059,993
Total liabilities	128,867,231	14,010,602	5,524,931	6,468,899	154,871,663

Numbers presented in the above table consist of eliminations of transactions between the entities within the Group.

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40. Employee benefits

Employees of the Bank participate in a number of share based payment plans operated by Standard Chartered PLC. Details of these are set out as follows:

2021 Standard Chartered Share Plan (the “2021 Plan”) and 2011 Standard Chartered Share Plan (the “2011 Plan”)

The 2021 Plan was approved by shareholders in May 2021 and is the Group’s main share plan, replacing the 2011 Plan for new awards, June 2021. It may be used to deliver various types of share awards, previously granted under the 2011 Plan:

- LTIP awards: The vesting of awards granted in 2024, 2023 and 2022 are subject to performance measures. Performance measures include relative total shareholder return (“TSR”); return on tangible equity (“RoTE”) (with a Common Equity Tier 1 (“CET1”) underpin); and strategic measures (including targets set for sustainability linked to business strategy). Each measure is assessed independently over a three-year period. LTIP awards have an individual conduct gateway requirement that results in the award lapsing if not met.
- Deferred awards are used to deliver the deferred portion of variable remuneration, in line with both market practice and regulatory requirements. These awards vest in instalments on anniversaries of the award date specified at the time of grant. Deferred awards are not subject to any plan limit. This enables the Group to meet regulatory requirements relating to deferral levels, and is in line with market practice.

Deferred share awards are not subject to any performance measures.

The remaining life of the 2021 Plan during which new awards can be made is seven years

Valuation - LTIP awards

The fair value of the relative TSR component is calculated using the probability of meeting the measures over a three-year performance period, using a Monte Carlo simulation model. The value of the remaining components is based on the expected performance against the RoTE and strategic measures in the scorecard and the resulting estimated number of shares expected to vest at each reporting date. These combined values are used to determine the accounting charge.

No dividend equivalents accrue for the LTIP awards made in 2024 or 2023 and the fair value takes this into account, calculated by reference to market consensus dividend yield.

	2024 12 Mar	2023 14 Mar
Share price at grant date (£)	6.60	7.40
Share options granted ('000)	171	137
Vesting period (years)	3 - 7	3 - 7
Expected dividend yield (%)	4.20	3.10
Fair value (RoTE) (£)	1.55	1.85
Fair value (TSR) (£)	0.95	1.04
Fair value (Strategic) (£)	2.06	2.46

40. Employee benefits (cont'd)

2021 Standard Chartered Share Plan (the "2021 Plan") and 2011 Standard Chartered Share Plan (the "2011 Plan") (cont'd)

Valuation - deferred shares

The fair value for deferred awards which are not granted to material risk takers is based on 100 per cent of the face value of the shares at the date of grant as the share price will reflect expectations of all future dividends. For awards granted to material risk takers in 2024, the fair value of awards takes into account the lack of dividend equivalents, calculated by reference to market consensus dividend yield.

Deferred share awards – variable remuneration

Grant date	2024 17 Jun		2024 11 Mar		2023 13 Mar	
Share price at grant date (£)	7.24		6.56		7.40	
Share options granted ('000)	66		7,730		6,410	

Vesting period	Expected dividend yield (%)	Fair value (£)	Expected dividend yield (%)	Fair value (£)	Expected dividend yield (%)	Fair value (£)
2024						
1-3 years	3.80	9.17	4.20	8.30 7.19,	3.10	7.40
1-5 years	3.80	8.05	4.20, 4.20, N/A	7.49, 8.30	3.10, 3.10	6.85, 6.65,
3-7 years	–	–	4.20	6.49	3.10, 3.10	6.16

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40. Employee benefits (cont'd)

2021 Standard Chartered Share Plan (the "2021 Plan") and 2011 Standard Chartered Share Plan (the "2011 Plan") (cont'd)

Deferred share awards – buy-outs

Grant date	2024 18 Nov	2024 23 Sep	2024 17 Jun	2024 11 Mar
Share price at grant date (£)	9.43	7.59	7.24	6.56
Share options granted ('000)	17	97	131	261

Vesting period	Expected dividend yield (%)	Fair Value (£)	Expected dividend yield (%)	Fair Value (£)	Expected dividend yield (%)	Fair Value (£)	Expected dividend yield (%)	Fair Value (£)
2024								
3 months	–	–	–	–	3.80	9.07	4.20	8.22
4 months	4.20	11.80	–	–	–	–	–	–
6 months	–	–	4.20	9.49	–	–	–	–
7 months	–	–	–	–	–	–	–	–
9 months	–	–	–	–	3.80	8.90	4.20	8.06
10 months	–	–	–	–	–	–	–	–
1 year	4.20	11.36	4.20	9.11	–	–	4.20	7.73, 7.89, 7.97
2 years	4.20	10.90	4.20	8.74	3.80	8.26	4.20	7.65
3 years	–	–	4.20	8.39	–	–	4.20	7.34
4 years	–	–	–	–	–	–	–	–
5 years	–	–	–	–	–	–	–	–

Grant date	2023 20 Nov	2023 18 Sep	2023 19 Jun	2023 13 Mar
Share price at grant date (£)	6.60	7.43	6.75	7.40
Share options granted ('000)	32	79	19	190

Vesting period	Expected dividend yield (%)	Fair Value (£)	Expected dividend yield (%)	Fair Value (£)	Expected dividend yield (%)	Fair Value (£)	Expected dividend yield (%)	Fair Value (£)
2023								
4 months	3.0	6.54	–	–	–	–	–	–
6 months	–	–	3.0	7.32	–	–	–	–
7 months	3.0	6.49	–	–	–	–	–	–
9 months	–	–	–	–	3.3	6.59	–	–
10 months	3.0	6.44	–	–	–	–	–	–
1 year	3.0	6.35	3.0	7.11, 7.16	3.3	6.38, 6.54	3.1	7.18
2 years	3.0	6.16	3.0	6.9, 6.95	3.3	6.33	3.1	6.96
3 years	3.0	5.98	3.0	6.70	3.3	6.13	3.1	6.75
4 years	–	–	–	–	–	–	–	–
5 years	–	–	–	–	–	–	–	–

40. Employee benefits (cont'd)

All Employee Sharesave Plans

Sharesave Plans

The 2013 Employee Sharesave Plan expired in May 2023 and a new 2023 Sharesave Plan was approved by shareholders at the Annual General Meeting in May 2023. Under the 2023 Sharesave Plan, employees may open a savings contract and save up to £500 (increased from £250 since 2024) per month over three years to purchase ordinary shares in the Company at a discount of up to 20 per cent (the 'option exercise price'). The discount applies to higher of: the 5-day average share price prior to the invitation or the closing share price on the last trading day prior to the invitation. At the end of the savings contract they have a period of six months to exercise the option. There are no performance measures attached to Sharesave options, and no exercise price is payable to receive an option. In some countries in which the Group operates, it is not possible to operate equity-settled Sharesave, typically due to securities law and regulatory restrictions. In these countries, where possible, the Group offers an equivalent cash-based alternative to its employees.

The remaining life of the 2023 Sharesave Plan during which new awards can be made is nine years.

Valuation – Sharesave:

Options under the Sharesave plans are valued using a binomial option-pricing model. The same fair value is applied to all employees including executive directors.

The fair value per option granted and the assumptions used in calculation are as follows:

	2024 23 Sep	2023 18 Sep
Share price at grant date (£)	7.59	7.43
Exercise price (£)	6.10	5.88
Share options granted ('000)	763	320
Vesting period (years)	3	3
Expected volatility (%)	32.9	36.7
Expected option life (years)	3.50	3.50
Risk free rate (%)	3.88	4.48
Expected dividend yield (%)	4.20	3.00
Fair value (£)	2.73	3.05

The expected volatility is based on historical volatility over the last three years, or three years prior to grant. The expected life is the average expected period to exercise. The risk-free rate of return is the yield on zero-coupon UK government bonds of a term consistent with the assumed option life. The expected dividend yield is calculated by reference to market consensus dividend yield.

40. Employee benefits (cont'd)

All Employee Sharesave Plans (cont'd)

Limits:

An award shall not be granted under the 2021 Plan in any calendar year if, at the time of its proposed grant, it would cause the number of Standard Chartered PLC ordinary shares allocated in the period of 10 calendar years, ending with that calendar year, under the 2021 Plan and under any other discretionary share plan operated by Standard Chartered PLC to exceed such number as represents 5 per cent of the ordinary share capital of Standard Chartered PLC in issue at that time.

An award shall not be granted under the 2021 Plan or 2023 Sharesave Plan in any calendar year if, at the time of its proposed grant, it would cause the number of Standard Chartered PLC ordinary shares allocated in the period of 10 calendar years ending with that calendar year, under the 2021 Plan or 2023 Sharesave Plan and under any other employee share plan operated by Standard Chartered PLC to exceed such number as represents 10 per cent of the ordinary share capital of Standard Chartered PLC in issue at that time.

An award shall not be granted under the 2021 Plan or 2023 Sharesave Plan in any calendar year if, at the time of its proposed grant, it would cause the number of Standard Chartered PLC ordinary shares which may be issued or transferred pursuant to awards then outstanding under the 2021 Plan or 2023 Sharesave Plan as relevant to exceed such number as represents 10 per cent of the ordinary share capital of Standard Chartered PLC in issue at that time.

The number of Standard Chartered PLC ordinary shares which may be issued pursuant to awards granted under the 2021 or 2023 Plan in any 12-month period must not exceed 1 per cent of the ordinary share capital of Standard Chartered PLC in issue at that time.

Standard Chartered PLC has been granted waivers from strict compliance with Rules 17.03A, 17.03B(1), 17.03E and 17.03(18) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong. Details are set out in the market announcement made on 30 March 2023. In relation to the waiver of strict compliance with Note 1 to 17.03(18), in 2024 no changes to the plan rules have been proposed that fall within scope of disclosure requirements under the terms of the waiver.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

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40. Employee benefits (cont'd)

Employee Sharesave Plans (the “2013 Sharesave Plans”)

Reconciliation of option movements are as follows:

2024 ('000)	Performance shares	Deferred/ restricted shares	Sharesave	Weighted average exercise price (£)
Outstanding as at 1 January 2024	740	13,725	1,099	4.47
Granted	171	8,302	763	6.10
Additional share granted as notional dividend	–	75	–	–
Lapsed	(131)	(166)	(75)	4.63
Exercised	(24)	(6,192)	(265)	3.48
Outstanding as at 31 December 2024	756	15,744	1,522	5.45
Exercisable as at 31 December 2024	–	11	96	3.81
Range of exercise prices (£)	4.88 / 7.78	3.52 / 10.07	3.67 / 6.10	–
Weighted average contractual remaining life (years)	7.34	8.42	2.59	–
Weighted average share price for options exercised during the period (£)	–	–	5.45	–

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Notes to the financial statements
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40. Employee benefits (cont'd)

Employee Sharesave Plans (the "2013 Sharesave Plans") (cont'd)

Reconciliation of option movements are as follows (cont'd):

2023 ('000)	Performance shares	Deferred/ restricted shares	Sharesave	Weighted average exercise price (£)
Outstanding as at 1 January 2023	722	13,296	1,103	3.91
Granted	137	6,730	320	5.88
Additional share granted as notional dividend	–	42	–	–
Lapsed	(108)	(210)	(101)	3.97
Exercised	(11)	(6,133)	(223)	3.95
Outstanding as at 31 December 2023	740	13,725	1,099	4.47
Exercisable as at 31 December 2023	–	24	113	3.18
Range of exercise prices (£)	4.88 / 7.78	3.52 / 11.85	3.14 / 5.88	–
Weighted average contractual remaining life (years)	7.63	8.39	2.34	–
Weighted average share price for options exercised during the period (£)	–	–	4.47	–

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2024

41. Related party transactions

In the normal course of its banking business, the Group has undertaken transactions with its intermediate holding company and its branches, and related corporations on terms as agreed between the parties.

Key management remuneration ^(a)

The remuneration of key management personnel of S\$26,630,000 (2023: S\$18,609,000) comprises short term employee benefits of S\$22,857,000 (2023: S\$15,479,000), share based compensation benefits of S\$3,587,000 (2023: S\$2,980,000) and contribution to defined contribution plan of S\$186,000 (2023: S\$150,000).

Included in the above are the remuneration of directors of S\$7,486,000 (2023: S\$6,368,000) comprises short term employee benefits of S\$6,339,000 (2023: S\$4,635,000), share based compensation benefits of S\$1,114,000 (2023: S\$1,704,000) and contribution to defined contribution plan of S\$33,000 (2023: S\$29,000).

Key management personnel also participate in the employee share based payment plans, with the same terms and conditions as described in Note 40.

Details of their participation are summarised as follows:

Group and Bank	Employee Sharesave plan	2021/2011 Standard Chartered share plan
Outstanding as at 1 January 2024	2,211	380,582
Movement due to changes in members of management committee	(2,211)	97,607
Granted*	–	437,752
Additional shares for rights issue	–	1,437
Exercised	–	(250,355)
Outstanding as at 31 December 2024	–	667,023

Group and Bank	Employee Sharesave plan	2021/2011 Standard Chartered share plan
Outstanding as at 1 January 2023	2,123	406,743
Movement due to changes in members of management committee	–	(79,862)
Granted*	88	182,782
Additional shares for rights issue	–	1,281
Exercised	–	(130,362)
Outstanding as at 31 December 2023	2,211	380,582

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2024

41. Related party transactions (cont'd)

Key management remuneration ^(a) (cont'd)

Total exposure related to key management personnel as at 31 December are as follows:

	2024 S\$'000	2023 S\$'000
Mortgages	4,653	2,603
Secured loans	1,646	228
Unsecured loans	199	725

No impairment losses have been recorded during the year against balances outstanding with key management personnel, and as at the reporting date, there is no specific allowance made for impairment losses on balances with key management personnel.

(a) Amounts reported under this section are borne by both the Bank and Standard Chartered Bank, Singapore Branch and do not include one of the directors' remuneration borne by a related corporation due to his employment relationship with the related corporation.

42. Segment information

The Group's segmental reporting is in accordance with SFRS(I) 8 Operating Segments and is reported consistently with the internal performance framework and as presented to the Group's Management Team. The income numbers presented below include internal funds transfer pricing.

Activities not directly related to a client segment are included in Other Banking which mainly include treasury markets, treasury activities and certain strategic investments. Ventures is related to the Group's majority-owned digital bank subsidiary, Trust Bank Singapore Limited.

	Group	
	2024 S\$'000	2023 S\$'000
Corporate & Investment Banking ¹	1,971,152	1,944,761
Wealth & Retail Banking ¹	2,600,411	2,451,792
Other banking	286,598	370,607
Ventures	96,772	38,997
Income by segment	4,954,933	4,806,157
Total operating expenses	(3,112,284)	(2,798,387)
Impairment losses	(216,471)	(89,336)
Profit from associates	5,753	5,119
Profit before income tax	1,631,931	1,923,553

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42. Segment information (cont'd)

	Group				Total
	Corporate & Investment Banking ¹ S\$'000	Wealth & Retail Banking ¹ S\$'000	Other banking S\$'000	Ventures S\$'000	S\$'000
2024					
Net interest income	409,532	1,498,606	(259,101)	71,173	1,720,210
Net fee and commission income/(expense) ²	264,590	882,096	(1,118)	21,204	1,166,772
Other income	1,297,030	219,709	546,817	4,395	2,067,951
Operating income	1,971,152	2,600,411	286,598	96,772	4,954,933
2023					
Net interest income	770,338	1,528,693	(27,663)	32,215	2,303,583
Net fee and commission income/(expense) ²	140,575	777,424	(805)	6,782	923,976
Other income	1,033,848	145,675	399,075	—	1,578,598
Operating income	1,944,761	2,451,792	370,607	38,997	4,806,157

¹ Following SC PLC's announcement, effective 1 April 2024 the Group has renamed its Corporate Commercial and Institutional Banking segment "Corporate & Investment Banking (CIB) and Consumer, Private and Banking segment "Wealth & Retail Banking" (WRB).

² Inclusive of income arising from a major customer of S\$359,113,000 (2023: S\$356,046,000) in Wealth & Retail Banking operating segment.

43. Risk management

The Enterprise Risk Management Framework (“ERMF”) enables Standard Chartered PLC (including its branches and subsidiaries) (“SC Group”) to manage enterprise-wide risks, with the objective of maximising risk-adjusted returns while remaining within our Risk Appetite (“RA”). The ERMF is complemented by frameworks, policies and standards which are mainly aligned to the Principal Risk Types (“PRTs”) and is embedded across the SC Group. It is reviewed and approved by the SC Group Board annually, with the latest version being effective from December 2024.

PRTs are those risks that are inherent in our strategy and business model and have been formally defined in the SC Group’s ERMF. They are namely, Credit Risk, Traded Risk, Treasury Risk, Operational and Technology Risk, Financial Crime Risk, Compliance Risk, Information and Cyber Security Risk, Environmental, Social and Governance and Reputational Risk and Model Risk.

Each of the PRTs and its associated RA Statements has its own Risk Type Framework (“RTF”) which is supported by Policies & Standards.

The Singapore Local Addendums to the ERMF and RTFs are approved by SCBSL Hub Board, Singapore and ASEAN Risk Committee (“SGARC”) (formerly known as “SCBSL Hub Executive Risk Committee” (“Hub ERC”)), Asset and Liability Committee (“ALCO”) and Regional Asset and Liability Committee (“RALCO”) respectively.

Risk governance

The SCBSL Hub Board Risk Committee (“Hub BRC”) is responsible for overseeing the governance of risk and approving risk appetite within the SCBSL Group. The Committee has delegated executive responsibility to the Hub Executive Committee (“Hub EXCO”) for the day-to-day management of risk and to maintain a sound system of risk management and internal control.

The Hub EXCO delegates authority for the management of certain risks to the SGARC and the RALCO while the management of risk associated with the Bank’s strategy remains directly with the Hub EXCO. This governance structure ensures that risk taking authority and risk management policies and procedures are cascaded down from the Board through to the appropriate committees.

The SGARC is responsible for the effective management of risk (excluding Treasury risks) in support of the strategy; including defining the overall ERMF which sets out the principles and standards for risk management. The ERMF and the risk appetite are approved and overseen by the SCBSL Hub Board.

The primary responsibility of RALCO is the management of Treasury risks and maintaining a strong balance sheet to support business objectives and comply with the Group’s policies and regulatory requirements.

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**Notes to the financial statements
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43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk

This section should be read in conjunction with the impairment policies (Note 2.11) within the material accounting policy information.

Credit risk is managed through a framework that sets out policies and procedures covering the measurement and management of credit risk. There is a segregation of duties between transaction originators in the businesses and approvers within the Risk function. Credit exposure limits are approved within a defined credit approval authority framework.

Policies and procedures are established by the SGARC. These are consistent with the Group-wide credit policies, yet it was adopted by the Bank as its own to reflect the country-specific risk environment and portfolio characteristics of the Bank.

The Bank uses an internal risk mapping to determine the credit quality for loans. All loans are assigned a credit grade ("CG"), which is reviewed periodically and amended in light of changes in the borrower's circumstances or behaviour. CGs 1 to 12 are assigned to stage 1 and stage 2 (performing) loan accounts, while CGs 13 and 14 are assigned to stage 3 (non-performing or defaulted) loan.

The mapping of credit classification and credit quality is as follows.

Credit quality description	Corporate & Investment Banking Internal grade mapping	Regulatory PD range (%)	Private Banking ¹	Wealth & Retail Banking Number of days past due
Strong	Grades 1A-5B	0% to 0.425%	Class I and Class IV	No past dues nor impaired
Satisfactory	Grades 6A-11C	0.426% to 15.75%	Class II and Class III	Past due till 29 days
Higher Risk	Grades 12	15.751% to 99.999%	Stressed Assets Group (SAG) managed	Past due 30 days and over till 90 days

¹ For Private Banking, classes of risk represent the type of collateral held. Class I represents facilities with liquid collateral, such as cash and marketable securities. Class II represents unsecured/partially secured facilities and those with illiquid collateral, such as equity in private enterprises. Class III represents facilities with residential or commercial real estate collateral. Class IV covers margin trading facilities.

43. Risk management (cont'd)

Risk governance (cont'd)

(a) *Credit risk (cont'd)*

Credit monitoring

The Bank regularly monitors credit exposures, portfolio performance, and external trends that may impact risk management outcomes. Internal risk management reports are presented to the risk committees containing information on key trends across major portfolios, portfolio delinquency and loan impairment performance.

Borrowers are placed on early alert when they display signs of actual or potential weakness. Such accounts are subjected to a dedicated credit monitoring process overseen by the Credit Issues Committee. Portfolio delinquency trends are monitored continuously at a detailed level. Individual customer behaviour is also tracked and is considered for lending decisions.

Credit concentration risk

Credit concentration risk may arise from large exposure to a single counterparty, or from multiple exposures across the portfolio that are closely correlated. Large exposure concentration risk is managed against regulatory limit set at 25% of Tier 1 capital. At the portfolio level, credit concentration thresholds are set and monitored to control concentrations, where appropriate, by customer segment, industry, product, tenor, credit grade and collateral type.

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Notes to the financial statements
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43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Credit concentration risk (cont'd)

The following table shows the concentration of credit risk by industry and the associated maximum exposure to credit risk (excluding credit impairment):

	Group					Bank				
	Bills receivable S\$'000	Loans and advances to customers S\$'000	Debt securities S\$'000	Contingent liabilities S\$'000	Commitments S\$'000	Bills receivable S\$'000	Loans and advances to customers S\$'000	Debt securities S\$'000	Contingent liabilities S\$'000	Commitments S\$'000
2024										
Industry										
Manufacturing	522,507	6,738,439	17,288	2,612,812	2,654,160	177,912	4,871,512	8,184	1,856,102	2,490,139
Building and construction	69,655	2,779,446	203,000	616,878	1,080,469	64,819	2,010,277	179,639	279,873	661,700
Housing	—	22,046,619	—	—	1,067,110	—	16,875,803	—	—	953,066
General commerce	7,301,273	4,438,223	145,110	5,022,180	1,616,352	7,034,858	3,176,425	23,774	4,444,104	1,487,246
Transport, storage and communications	79,705	3,391,477	67,101	424,035	1,524,762	—	3,099,024	66,043	281,874	1,482,915
Financial institutions	1,633,481	5,672,566	4,619,338	2,075,015	9,939,346	1,608,104	4,921,962	4,721,651	1,697,595	10,295,517
Professional and private individuals (except housing loans)	—	23,360,819	—	64,911	38,140,144	—	19,388,636	—	64,911	27,459,113
Others	617,601	6,750,584	1,747,427	1,031,903	4,344,937	146,613	6,302,973	1,535,629	489,114	4,135,026
	10,224,222	75,178,173	6,799,264	11,847,734	60,367,280	9,032,306	60,646,612	6,534,920	9,113,573	48,964,722

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Risk governance (cont'd)

(a) *Credit risk (cont'd)*

Credit concentration risk (cont'd)

2023	Industry	Group				Bank					
		Bills receivable S\$'000	Loans and advances to customers S\$'000	Debt securities S\$'000	Contingent liabilities S\$'000	Commitments S\$'000	Bills receivable S\$'000	Loans and advances to customers S\$'000	Debt securities S\$'000	Contingent liabilities S\$'000	Commitments S\$'000
	Manufacturing	530,253	5,324,625	946,280	2,198,196	1,680,916	255,198	3,521,854	706,842	1,499,279	1,575,649
	Building and construction	6,127	2,621,780	242,048	576,076	912,220	4,685	1,894,408	162,724	232,259	603,759
	Housing	—	23,080,045	—	—	1,537,093	—	18,231,506	—	—	1,369,585
	General commerce	6,876,920	5,122,907	238,090	4,071,934	1,280,403	6,058,369	3,964,369	80,175	3,768,916	1,165,541
	Transport, storage and communications	72,617	2,934,604	330,712	249,416	1,628,462	—	2,624,934	292,882	139,749	1,600,427
	Financial institutions	494,726	3,904,208	4,284,746	2,178,087	8,951,456	464,246	3,063,354	4,342,678	1,769,549	8,739,547
	Professional and private individuals (except housing loans)	—	20,361,644	—	67,931	33,553,279	—	17,200,137	—	67,931	25,109,794
	Others	532,074	5,617,947	1,560,565	804,718	3,667,211	74,581	5,260,359	1,410,204	291,385	3,449,288
		8,512,717	68,967,760	7,602,441	10,146,358	53,211,040	6,857,079	55,760,921	6,995,505	7,769,068	43,613,590

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Notes to the financial statements For the financial year ended 31 December 2024

43. Risk management (cont'd)

Risk governance (cont'd)

(a) *Credit risk (cont'd)*

The credit exposures of the Bank's other significant balances are as follows:

Industry	Assets
Central governments and central banks	Cash and balances with central bank Singapore government securities and treasury bills Other government securities and treasury bills
Financial institutions	Loans and advances to banks Amounts due from intermediate holding company, its branches and related corporations

Impairment

The SCBSL Group primarily uses models that utilise the probability of default ("PD"), loss given default ("LGD") and exposure at default ("EAD") metrics, discounted using the effective interest rate in determining expected credit losses ("ECL").

Forward-looking economic assumptions (such as economic growth, interest rates, unemployment rates, property prices, etc.) are incorporated into the PD, LGD and EAD where relevant and where they influence credit risk. These assumptions are incorporated using SC Group's most likely forecast for a range of macroeconomic assumptions. These forecasts are determined using all reasonable and supportable information, which includes both internally developed forecasts and those available externally.

To account for the potential non-linearity in credit losses, multiple forward-looking scenarios are incorporated into the range of reasonably possible outcomes for all material portfolios. These scenarios are determined using a Monte Carlo approach around the most likely forecast of macroeconomic assumptions.

The period over which cash shortfalls are determined is generally limited to the maximum contractual period for which the SCBSL Group is exposed to credit risk. However, for certain revolving credit facilities, the SCBSL Group's exposure to credit risk is not limited to the contractual period. For these instruments, SCBSL Group estimates an appropriate life based on the period that SCBSL Group is exposed to credit risk, which includes the effect of credit risk management actions such as the withdrawal of undrawn facilities.

For credit-impaired financial instruments, the estimate of cash shortfalls may require the use of expert credit judgement. As a practical expedient, SCBSL Group may also measure credit impairment on the basis of an instrument's fair value using an observable market price.

43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Impairment (cont'd)

Significant increase in credit risk ("SICR")

The SC Group uses a number of qualitative and quantitative measures in assessing significant increase in credit risk. Quantitative measures relate to the relative and absolute changes in the lifetime PD compared to those expected at initial recognition. Qualitative factors include placement of loans on non-purely precautionary early alert, classification as higher risk (CG12) or 30 days or more past due.

Financial assets that are credit impaired (or in default) represent those that are at least 90 days past due in respect of principal and/or interest. Financial assets are also considered to be credit impaired where the obligors are unlikely to pay on the occurrence of one or more observable events that have a detrimental impact on the estimated future cash flows of the financial asset.

Evidence that a financial asset is credit impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or borrower;
- Breach of contract such as default or a past due event;
- For economic or contractual reasons related to the borrower's financial difficulty, the lenders of the borrowers have granted concessions that lenders would not otherwise consider;
- Pending or actual bankruptcy or other financial reorganisation to avoid or delay discharge of borrower's obligation; and
- Disappearance of an active market for the applicable financial asset due to financial difficulties of the borrower.

Credit-impaired accounts are managed by the Group's specialist recovery unit, Stressed Assets Group ("SAG") which forms part of first line of defence. The Stressed Assets Risk ("SAR") team performs as the second line of defence for credit-impaired accounts. Where any amount is considered irrecoverable, a stage 3 credit-impairment allowance is raised. This stage 3 impairment allowance is the difference between the loan carrying amount and the probability weighted present value of estimated future cash flows, reflecting a range of scenarios (typically the best, worst and most likely recovery outcomes). Where the cash flows include realisable collateral, the values used will incorporate the impact of forward looking economic information.

Irrevocable lending commitments to a credit impaired obligor that have not yet been drawn down are also included within the Stage 3 credit impairment to the extent that the commitment cannot be withdrawn.

A period may elapse from the point at which instruments enter lifetime expected credit losses (Stage 2 or 3) and are reclassified back to 12 months expected credit losses (Stage 1). For financial assets that are credit impaired (Stage 3), a transfer to Stage 2 or Stage 1 is only permitted where the instrument is no longer considered to be credit-impaired. An instrument will no longer be considered credit-impaired when there is no shortfall of cash flows compared to the original contractual terms.

43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Impairment (cont'd)

Significant increase in credit risk ("SICR") (cont'd)

For financial assets within Stage 2, these can only be transferred to Stage 1 when they are no longer considered to have experienced a SICR.

Where significant increase in credit risk was determined using quantitative measures, the instruments will automatically transfer back to Stage 1 when the original PD based transfer criteria are no longer met. Where instruments were transferred to Stage 2 due to an assessment of qualitative factors, the issues that led to the reclassification must be cured before the instruments can be reclassified to Stage 1. This includes instances where management actions led to instruments being classified as Stage 2, requiring that action to be resolved before loans are reclassified to Stage 1.

In order to determine whether an instrument is subject to 12 month ECL or long term ECL, the Bank assesses whether there has been a SICR since initial recognition. SICR is recognised based on the change in the risk of default between initial recognition and reporting date.

For financial assets which are not individually significant, such as the Retail Banking portfolio or small business loans, which comprise a large number of homogenous loans that share similar characteristics, statistical estimates and techniques are used, as well as credit scoring analysis.

A Retail Banking loan is considered credit impaired where it is more than 90 days past due. Retail Banking products are also considered credit impaired if the borrower files for bankruptcy or other forbearance programme, the borrower is deceased or the business is closed in the case of a small business, or if the borrower surrenders the collateral, or there is an identified fraud on the account. Additionally, if the account is unsecured and the borrower has other credit accounts with the SC Group that are considered credit impaired, the account may also be credit impaired. Techniques used to compute impairment amounts use models which analyse historical repayment and default rates over a time horizon. Where various models are used, judgement is required to analyse the available information provided and select the appropriate model or combination of models to use.

Under the MAS Notice 612 requirement, the Bank is required to maintain a minimum regulatory loss allowance ("MRLA") of 1% of the gross carrying amount of selected credit exposures, net of collaterals. Where the accounting loss allowance computed under SFRS(I) 9 is less than the MRLA, the Bank shall maintain the difference in a non-distributable regulatory loss allowance reserve ("RLAR") account through the appropriation of retained earnings to meet the minimum 1% amount. Where the aggregated accounting loss allowance and RLAR exceeds the MRLA, the Bank may transfer to excess amount in the RLAR to retained earnings.

43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Impairment (cont'd)

Significant increase in credit risk ("SICR") (cont'd)

The total amount of the Bank's impairment allowance is inherently uncertain, being sensitive to changes in economic and credit conditions. It is possible that actual events over the next year differ from the assumptions built into our model, resulting in material adjustments to the carrying amount of loans and advances.

In certain circumstances, the Bank may renegotiate a drawdown loan. Loans that are renegotiated primarily to grant extended tenor to a borrower who is facing some difficulties but who the Bank does not believe is impaired are reported as 'Other forbore loans'. Loans that are renegotiated on terms that are not consistent with those readily available in the market and/or where have been granted a concession compared to the original terms of the loans, are considered to be subject to forbearance strategies and are disclosed as 'Loans subject to forbearance', which is a subset of impaired loans.

Post model adjustments

Where a model's performance breaches the monitoring thresholds or validation standards, SCBSL Group may perform an assessment to determine whether a Post Model Adjustment ("PMA") is required to correct the identified model issue. PMAs will be removed when the models are updated to correct for the identified model issue or the estimates return to being within the monitoring thresholds.

PMAs are calculated by the Model development teams, validated by the SC Group Model Validation ("GMV") team and approved by senior management.

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Notes to the financial statements
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43. Risk management (cont'd)

Risk governance (cont'd)

(a) *Credit risk (cont'd)*

Financial assets - credit quality

Assets classified as past due refer to assets that are overdue by one day or more. Impaired assets are assets with specific allowances made. The balances analysed do not include those held at fair value through profit or loss.

	Group				Bank			
	Bills receivable S\$'000	Loans and advances to customers ^(a) S\$'000	Loans and advances to banks S\$'000	Debt securities S\$'000	Bills receivable S\$'000	Loans and advances to customers S\$'000	Loans and advances to banks S\$'000	Debt securities S\$'000
2024								
<i>Gross amount</i>								
Stage 1	10,103,835	69,241,758	7,153,111	4,036,558	8,929,788	55,916,483	4,874,007	3,851,469
Stage 2	9,118	3,581,379	—	—	7,019	3,131,378	—	—
Stage 3	111,269	917,950	335	23,361	95,499	391,263	335	—
	10,224,222	73,741,087	7,153,446	4,059,919	9,032,306	59,439,124	4,874,342	3,851,469
<i>Stage 1 and 2, of which</i>								
Less than 30 days past due	98,696	2,372,381	151	—	40,006	308,833	—	
More than 30 days past due	3,187	106,386	—	—	3,187	46,468	—	
<i>Total credit impairment</i>								
Stage 1	(770)	(147,516)	(1,932)	(399)	(311)	(72,825)	(1,273)	(364)
Stage 2	(24)	(69,606)	—	—	(7)	(44,758)	—	—
Stage 3	(44,740)	(543,404)	(335)	(375)	(43,851)	(322,121)	(335)	—
	(45,534)	(760,526)	(2,267)	(774)	(44,169)	(439,704)	(1,608)	(364)
<i>Stage 1 and 2, of which</i>								
Less than 30 days past due	(2,834)	(63,055)	(13)	—	(2,786)	(21,508)	—	
More than 30 days past due	(519)	(18,072)	—	—	(519)	(7,567)	—	
<i>Carrying amount (net)</i>	10,178,688	72,980,561	7,151,179	4,059,145	8,988,137	58,999,420	4,872,734	3,851,105

(a) Stage 3 gross amount includes S\$35,157,000 (2023: Nil) originated credit-impaired loans.

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Notes to the financial statements
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43. Risk management (cont'd)

Risk governance (cont'd)

(a) *Credit risk (cont'd)*

Financial assets - credit quality (cont'd)

	Group				Bank			
	Bills receivable S\$'000	Loans and advances to customers S\$'000	Loans and advances to banks S\$'000	Debt securities S\$'000	Bills receivable S\$'000	Loans and advances to customers S\$'000	Loans and advances to banks S\$'000	Debt securities S\$'000
2023								
<i>Gross amount</i>								
Stage 1	8,383,660	64,200,310	9,154,176	4,460,063	6,760,106	52,342,579	7,268,859	4,101,988
Stage 2	40,208	2,530,854	214	—	12,878	1,964,712	214	—
Stage 3	88,849	981,513	—	22,113	84,095	471,876	—	—
	8,512,717	67,712,677	9,154,390	4,482,176	6,857,079	54,779,167	7,269,073	4,101,988
<i>Stage 1 and 2, of which</i>								
Less than 30 days past due	292,129	1,614,054	525	—	47	367,118	—	—
More than 30 days past due	—	94,946	—	—	—	41,406	—	—
<i>Total credit impairment</i>								
Stage 1	(318)	(107,279)	(2,185)	(640)	(102)	(52,057)	(1,496)	(479)
Stage 2	(650)	(71,512)	(2)	—	(30)	(51,968)	(2)	—
Stage 3	(43,817)	(546,150)	—	(354)	(41,606)	(329,488)	—	—
	(44,785)	(724,941)	(2,187)	(994)	(41,738)	(433,513)	(1,498)	(479)
<i>Stage 1 and 2, of which</i>								
Less than 30 days past due	(7)	(46,036)	—	—	(2)	(14,359)	—	—
More than 30 days past due	—	(11,770)	—	—	—	(5,666)	—	—
Carrying amount (net)	8,467,932	66,987,736	9,152,203	4,481,182	6,815,341	54,345,654	7,267,575	4,101,509

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Notes to the financial statements
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43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Financial assets - credit quality (cont'd)

	Group			Bank		
	Bills receivable S\$'000	Loans and advances to customers ^(a) S\$'000	Loans and advances to banks S\$'000	Bills receivable S\$'000	Loans and advances to customers S\$'000	Loans and advances to banks S\$'000
2024						
<i>Stage 1</i>						
Corporate & Investment Banking	9,822,837	24,850,371	7,153,111	8,697,501	20,259,841	4,874,007
Wealth & Retail Banking	280,998	43,598,731	—	232,287	35,656,642	—
Ventures	—	792,656	—	—	—	—
	10,103,835	69,241,758	7,153,111	8,929,788	55,916,483	4,874,007
Impairment	(770)	(147,516)	(1,932)	(311)	(72,825)	(1,273)
Carrying amount	10,103,065	69,094,242	7,151,179	8,929,477	55,843,658	4,872,734
<i>Stage 2</i>						
Corporate & Investment Banking	7,034	2,606,009	—	6,870	2,438,243	—
Wealth & Retail Banking	2,084	968,809	—	149	693,135	—
Ventures	—	6,561	—	—	—	—
	9,118	3,581,379	—	7,019	3,131,378	—
Impairment	(24)	(69,606)	—	(7)	(44,758)	—
Carrying amount	9,094	3,511,773	—	7,012	3,086,620	—
<i>Stage 3</i>						
Corporate & Investment Banking	65,868	440,914	335	51,422	266,821	335
Wealth & Retail Banking	45,401	467,657	—	44,077	124,442	—
Ventures	—	9,379	—	—	—	—
	111,269	917,950	335	95,499	391,263	335
Impairment	(44,740)	(543,404)	(335)	(43,851)	(322,121)	(335)
Carrying amount	66,529	374,546	—	51,648	69,142	—

^(a) Stage 3 gross amount includes S\$35,157,000 (2023: Nil) originated credit-impaired loans.

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Notes to the financial statements
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43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Financial assets - credit quality (cont'd)

	Group			Bank		
	Bills receivable S\$'000	Loans and advances to customers S\$'000	Loans and advances to banks S\$'000	Bills receivable S\$'000	Loans and advances to customers S\$'000	Loans and advances to banks S\$'000
2023						
<i>Stage 1</i>						
Corporate & Investment Banking	8,080,587	21,703,708	9,154,176	6,517,601	17,396,451	7,268,859
Wealth & Retail Banking	303,073	42,185,637	–	242,505	34,946,128	–
Ventures	–	310,965	–	–	–	–
	8,383,660	64,200,310	9,154,176	6,760,106	52,342,579	7,268,859
Impairment	(318)	(107,279)	(2,185)	(102)	(52,057)	(1,496)
Carrying amount	8,383,342	64,093,031	9,151,991	6,760,004	52,290,522	7,267,363
<i>Stage 2</i>						
Corporate & Investment Banking	36,547	1,678,383	214	10,744	1,370,742	214
Wealth & Retail Banking	3,661	849,774	–	2,134	593,970	–
Ventures	–	2,697	–	–	–	–
	40,208	2,530,854	214	12,878	1,964,712	214
Impairment	(650)	(71,512)	(2)	(30)	(51,968)	(2)
Carrying amount	39,558	2,459,342	212	12,848	1,912,744	212
<i>Stage 3</i>						
Corporate & Investment Banking	41,577	492,221	–	37,213	358,660	–
Wealth & Retail Banking	47,272	486,418	–	46,882	113,216	–
Ventures	–	2,874	–	–	–	–
	88,849	981,513	–	84,095	471,876	–
Impairment	(43,817)	(546,150)	–	(41,606)	(329,488)	–
Carrying amount	45,032	435,363	–	42,489	142,388	–

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Notes to the financial statements
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43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Financial assets - credit quality (cont'd)

Group	Bills receivable		Loans and advances to customers ^(a)			Loans and advances to banks
	Corporate & Investment Banking S\$'000	Wealth & Retail Banking S\$'000	Corporate & Investment Banking S\$'000	Wealth & Retail Banking S\$'000	Ventures S\$'000	Corporate & Investment Banking S\$'000
2024						
<i>12 months ECL (Stage 1)</i>						
Grades 1 to 5	6,960,463	—	17,195,432	—	—	3,939,032
Grades 6 to 8	2,480,126	—	6,213,091	—	—	3,214,079
Grades 9 to 11	382,248	—	1,441,848	—	—	—
Grades 12	—	—	—	—	—	—
Private banking	—	—	—	7,163,593	—	—
Neither past due nor impaired	—	268,777	—	34,468,166	782,049	—
Past due but not impaired	—	12,221	—	1,966,972	10,607	—
	9,822,837	280,998	24,850,371	43,598,731	792,656	7,153,111
Impairment allowance	(346)	(424)	(14,201)	(118,628)	(14,687)	(1,932)
Carrying amount	9,822,491	280,574	24,836,170	43,480,103	777,969	7,151,179
<i>Lifetime ECL - not credit impaired (Stage 2)</i>						
Grades 1 to 5	3,351	—	693,292	—	—	—
Grades 6 to 8	—	—	1,181,039	—	—	—
Grades 9 to 11	3,683	—	690,820	—	—	—
Grades 12	—	—	40,858	—	—	—
Private banking	—	—	—	325,075	—	—
Neither past due nor impaired	—	2,084	—	370,227	—	—
Past due but not impaired	—	—	—	273,507	6,561	—
	7,034	2,084	2,606,009	968,809	6,561	—
Impairment allowance	(24)	—	(28,100)	(36,312)	(5,194)	—
Carrying amount	7,010	2,084	2,577,909	932,497	1,367	—
<i>Lifetime ECL - credit impaired (Stage 3)</i>						
Grades 13 to 14	65,868	—	440,914	—	—	335
Private banking	—	—	—	13,864	—	—
Past due and credit impaired	—	45,401	—	453,793	9,379	—
	65,868	45,401	440,914	467,657	9,379	335
Impairment allowance	(2,231)	(42,509)	(352,357)	(181,668)	(9,379)	(335)
Carrying amount	63,637	2,892	88,557	285,989	—	—
Of the above, forborne - credit impaired	—	—	60,458	203,865	—	—

^(a) Stage 3 gross amount includes S\$35,157,000 (2023: Nil) originated credit-impaired loans.

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43. Risk management (cont'd)

Risk governance (cont'd)

(a) *Credit risk (cont'd)*

Financial assets - credit quality (cont'd)

Group	Bills receivable		Loans and advances to customers			Loans and advances to banks
	Corporate & Investment Banking S\$'000	Wealth & Retail Banking S\$'000	Corporate & Investment Banking S\$'000	Wealth & Retail Banking S\$'000	Ventures S\$'000	Corporate & Investment Banking S\$'000
2023						
<i>12 months ECL (Stage 1)</i>						
Grades 1 to 5	6,441,291	—	14,696,001	—	—	5,674,759
Grades 6 to 8	1,437,015	—	5,986,060	—	—	3,408,456
Grades 9 to 11	202,281	—	1,021,647	—	—	70,961
Grades 12	—	—	—	—	—	—
Private banking	—	—	—	6,187,951	—	—
Neither past due nor impaired	—	303,025	—	34,303,355	306,636	—
Past due but not impaired	—	48	—	1,694,331	4,329	—
	8,080,587	303,073	21,703,708	42,185,637	310,965	9,154,176
	(97)	(221)	(18,318)	(79,566)	(9,395)	(2,185)
Impairment allowance						
Carrying amount	8,080,490	302,852	21,685,390	42,106,071	301,570	9,151,991
<i>Lifetime ECL - not credit impaired (Stage 2)</i>						
Grades 1 to 5	—	—	530,677	—	—	1
Grades 6 to 8	6,795	—	753,513	—	—	213
Grades 9 to 11	3,749	—	307,676	—	—	—
Grades 12	26,003	—	86,517	—	—	—
Private banking	—	—	—	18,169	—	—
Neither past due nor impaired	—	3,661	—	586,261	—	—
Past due but not impaired	—	—	—	245,344	2,697	—
	36,547	3,661	1,678,383	849,774	2,697	214
	(645)	(5)	(42,078)	(29,281)	(153)	(2)
Impairment allowance						
Carrying amount	35,902	3,656	1,636,305	820,493	2,544	212
<i>Lifetime ECL - credit impaired (Stage 3)</i>						
Grades 13 to 14	41,577	—	492,221	—	—	—
Private banking	—	—	—	11,850	—	—
Past due and credit impaired	—	47,272	—	474,568	2,874	—
	41,577	47,272	492,221	486,418	2,874	—
	(2,810)	(41,007)	(323,672)	(219,604)	(2,874)	—
Impairment allowance						
Carrying amount	38,767	6,265	168,549	266,814	—	—
Of the above, forborne - credit impaired	—	—	104,958	209,499	—	—

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43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Financial assets - credit quality (cont'd)

Bank	Bills receivable		Loans and advances to customers		Loans and advances to banks
	Corporate & Investment Banking S\$'000	Wealth & Retail Banking S\$'000	Corporate & Investment Banking S\$'000	Wealth & Retail Banking S\$'000	Corporate & Investment Banking S\$'000
2024					
<i>12 months ECL (Stage 1)</i>					
Grades 1 to 5	6,196,991	—	14,617,450	—	1,897,022
Grades 6 to 8	2,201,370	—	4,574,292	—	2,976,985
Grades 9 to 11	299,140	—	1,068,099	—	—
Grades 12	—	—	—	—	—
Private banking	—	—	—	7,163,593	—
Neither past due nor impaired	—	220,140	—	28,434,138	—
Past due but not impaired	—	12,147	—	58,911	—
	8,697,501	232,287	20,259,841	35,656,642	4,874,007
Impairment allowance	(293)	(18)	(12,491)	(60,334)	(1,273)
Carrying amount	8,697,208	232,269	20,247,350	35,596,308	4,872,734
<i>Lifetime ECL - not credit impaired (Stage 2)</i>					
Grades 1 to 5	3,187	—	677,403	—	—
Grades 6 to 8	—	—	1,116,468	—	—
Grades 9 to 11	3,683	—	604,829	—	—
Grades 12	—	—	39,543	—	—
Private banking	—	—	—	325,075	—
Neither past due nor impaired	—	149	—	268,028	—
Past due but not impaired	—	—	—	100,032	—
	6,870	149	2,438,243	693,135	—
Impairment allowance	(7)	—	(25,809)	(18,949)	—
Carrying amount	6,863	149	2,412,434	674,186	—
<i>Lifetime ECL - credit impaired (Stage 3)</i>					
Grades 13 to 14	51,422	—	266,821	—	335
Private banking	—	—	—	13,864	—
Past due and credit impaired	—	44,077	—	110,578	—
	51,422	44,077	266,821	124,442	335
Impairment allowance	(1,437)	(42,414)	(258,468)	(63,653)	(335)
Carrying amount	49,985	1,663	8,353	60,789	—
Of the above, forborne - credit impaired	—	—	2,425	—	—

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Notes to the financial statements
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43. Risk management (cont'd)

Risk governance (cont'd)

(a) *Credit risk (cont'd)*

Financial assets - credit quality (cont'd)

Bank	Bills receivable		Loans and advances to customers		Loans and advances to banks
	Corporate & Investment Banking S\$'000	Wealth & Retail Banking S\$'000	Corporate & Investment Banking S\$'000	Wealth & Retail Banking S\$'000	Corporate & Investment Banking S\$'000
2023					
<i>12 months ECL (Stage 1)</i>					
Grades 1 to 5	5,151,709	—	12,244,215	—	4,072,821
Grades 6 to 8	1,266,457	—	4,474,752	—	3,125,077
Grades 9 to 11	99,435	—	677,484	—	70,961
Grades 12	—	—	—	—	—
Private banking	—	—	—	6,187,951	—
Neither past due nor impaired	—	242,458	—	28,672,688	—
Past due but not impaired	—	47	—	85,489	—
	6,517,601	242,505	17,396,451	34,946,128	7,268,859
Impairment allowance	(85)	(17)	(17,085)	(34,972)	(1,496)
Carrying amount	6,517,516	242,488	17,379,366	34,911,156	7,267,363
<i>Lifetime ECL - not credit impaired (Stage 2)</i>					
Grades 1 to 5	—	—	475,660	—	1
Grades 6 to 8	6,795	—	591,720	—	213
Grades 9 to 11	3,749	—	246,415	—	—
Grades 12	200	—	56,947	—	—
Private banking	—	—	—	18,169	—
Neither past due nor impaired	—	2,134	—	485,050	—
Past due but not impaired	—	—	—	90,751	—
	10,744	2,134	1,370,742	593,970	214
Impairment allowance	(27)	(3)	(37,569)	(14,399)	(2)
Carrying amount	10,717	2,131	1,333,173	579,571	212
<i>Lifetime ECL - credit impaired (Stage 3)</i>					
Grades 13 to 14	37,213	—	358,660	—	—
Private banking	—	—	—	11,850	—
Past due and credit impaired	—	46,882	—	101,366	—
	37,213	46,882	358,660	113,216	—
Impairment allowance	(616)	(40,990)	(260,555)	(68,933)	—
Carrying amount	36,597	5,892	98,105	44,283	—
Of the above, forborne - credit impaired	—	—	20,503	—	—

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43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Financial assets - credit quality (cont'd)

The Bank uses standard credit ratings to determine the credit quality of debt securities. Those utilised are published by Standard & Poor's or an equivalent external rating agency. For securities that are unrated, the Bank applies an internal credit rating.

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
AAA	3,682,645	3,473,680	3,682,645	3,454,435
AA- to AA+	135,939	248,883	–	182,086
A- to A+	92,364	101,811	–	–
BBB- to BBB+	–	203,609	–	–
Lower than BBB-	–	237,753	–	237,753
Unrated	148,971	216,440	168,824	227,714
	4,059,919	4,482,176	3,851,469	4,101,988
Impairment	(774)	(994)	(364)	(479)
Carrying amount	4,059,145	4,481,182	3,851,105	4,101,509

Group	Loan commitments			Financial guarantees		
	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000
2024						
Grades 1 to 5	11,345,288	376,295	–	8,570,855	65,929	–
Grades 6 to 8	1,221,525	137,992	–	2,195,688	95,576	–
Grades 9 to 11	313,093	14,089	–	295,103	49,135	–
Grades 12	–	486	–	–	240	–
Grades 13 to 14	–	–	–	–	–	103,852
Private banking	23,708,998	–	–	275,101	–	–
Retail banking	23,218,939	26,999	3,576	195,722	533	–
	59,807,843	555,861	3,576	11,532,469	211,413	103,852
Impairment	(10,659)	(12,649)	(49)	(2,034)	(574)	(17,493)

Group	Loan commitments			Financial guarantees		
	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000
2023						
Grades 1 to 5	9,762,382	245,632	–	6,363,885	63,786	–
Grades 6 to 8	1,479,259	213,743	–	2,902,529	85,087	–
Grades 9 to 11	45,305	40,233	–	147,714	49,330	–
Grades 12	–	717	–	–	38,840	–
Grades 13 to 14	–	–	7	–	–	78,554
Private banking	19,936,751	–	–	272,670	–	–
Retail banking	21,415,613	68,852	2,546	143,116	847	–
	52,639,310	569,177	2,553	9,829,914	237,890	78,554
Impairment	(6,566)	(3,095)	(29)	(2,042)	(1,375)	(31,953)

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43. Risk management (cont'd)

Risk governance (cont'd)

(a) *Credit risk (cont'd)*

Financial assets - credit quality (cont'd)

Bank	Loan commitments			Financial guarantees		
	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000
2024						
Grades 1 to 5	11,304,750	376,295	—	6,942,824	15,274	—
Grades 6 to 8	934,958	136,443	—	1,395,403	82,737	—
Grades 9 to 11	309,185	3,675	—	193,548	13,502	—
Grades 12	—	486	—	—	152	—
Grades 13 to 14	—	—	—	—	—	50,493
Private banking	23,708,998	—	—	275,101	—	—
Retail banking	12,173,415	12,991	3,526	144,220	319	—
	48,431,306	529,890	3,526	8,951,096	111,984	50,493
Impairment	(7,936)	(11,733)	—	(1,508)	(226)	(4,756)
2023						
Bank	Loan commitments			Financial guarantees		
	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000
Grades 1 to 5	9,246,493	239,087	—	4,943,177	13,682	—
Grades 6 to 8	1,333,916	193,492	—	2,273,326	28,561	—
Grades 9 to 11	39,549	21,677	—	70,043	7,358	—
Grades 12	—	717	—	—	5,500	—
Grades 13 to 14	—	—	—	—	—	50,185
Private banking	19,936,751	—	—	272,670	—	—
Retail banking	12,542,361	57,001	2,546	104,566	—	—
	43,099,070	511,974	2,546	7,663,782	55,101	50,185
Impairment	(3,692)	(2,305)	—	(1,638)	(210)	(24,414)

These are off-balance sheet instruments. Only the ECL is recorded on-balance sheet and therefore there is no “net carrying amount”. ECL allowances on off-balance sheet instruments are held as liability provisions to the extent that the drawn and undrawn components of loan exposures can be separately identified. Otherwise, they will be reported against the drawn component.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

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43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Movement in gross exposures

	Group				Bank		
	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 ^(a) S\$'000	Total S\$'000	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000
Stage 3 S\$'000	Stage 2 S\$'000	Stage 1 S\$'000	Total S\$'000	Stage 3 S\$'000	Stage 2 S\$'000	Stage 1 S\$'000	Total S\$'000
Bills receivable, loans and advances to banks and customers at amortised cost							
2024							
Balance at 1 January 2024	81,738,146	2,571,276	1,070,362	85,379,784	66,371,544	1,977,804	555,971
Stage 1	1,966,115	(1,966,115)	–	–	889,613	(889,613)	–
Stage 2	(6,165,429)	6,224,770	(59,341)	–	(4,429,446)	4,485,498	(56,052)
Stage 3	(11,591)	(569,975)	581,566	–	–	(210,246)	210,246
New financial assets purchased or originated during the year	195,227,447	712,014	18,898	195,958,359	156,251,256	444,854	–
Repayments, disposals and write-offs	(187,386,096)	(3,458,664)	(621,791)	(191,466,551)	(149,896,823)	(2,720,361)	(234,685)
Foreign exchange and other movements	1,130,112	77,191	39,860	1,247,163	534,134	50,461	11,617
At 31 December 2024	86,498,704	3,590,497	1,029,554	91,118,755	69,720,278	3,138,397	487,097
							73,345,772

(a) Includes S\$35,157,000 (2023: Nil) originated credit-impaired loans and advances to customers.

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43. Risk management (cont'd)

Risk governance (cont'd)

(a) *Credit risk (cont'd)*

Movement in gross exposures (cont'd)

Debt securities held at
amortised cost and fair
value through other
comprehensive income*

	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
Group				
2024				
Balance at 1 January 2024	11,197,507	–	22,113	11,219,620
New financial assets purchased or originated during the year	45,131,724	–	–	45,131,724
Maturities, disposals and write-offs	(38,467,768)	–	–	(38,467,768)
Foreign exchange and other movements	83,873	–	1,248	85,121
At 31 December 2024	17,945,336	–	23,361	17,968,697
	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
2023				
Balance at 1 January 2023	16,989,130	–	23,502	17,012,632
New financial assets purchased or originated during the year	22,537,116	–	–	22,537,116
Maturities, disposals and write-offs	(28,150,408)	–	–	(28,150,408)
Foreign exchange and other movements	(178,331)	–	(1,389)	(179,720)
At 31 December 2023	11,197,507	–	22,113	11,219,620

* Includes Singapore and other government securities.

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43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Movement in gross exposures (cont'd)

Debt securities held at amortised cost and fair value through other comprehensive income*	Stage 1 S\$'000	Stage 2 S\$'000	Total S\$'000
Bank			
2024			
Balance at 1 January 2024	7,033,340	–	7,033,340
New financial assets purchased or originated during the year	26,646,493	–	26,646,493
Maturities, disposals and write-offs	(21,395,910)	–	(21,395,910)
Foreign exchange and other movements	(13,755)	–	(13,755)
At 31 December 2024	12,270,168	–	12,270,168
2023			
Balance at 1 January 2023	13,411,588	–	13,411,588
New financial assets purchased or originated during the year	9,827,707	–	9,827,707
Maturities, disposals and write-offs	(16,146,108)	–	(16,146,108)
Foreign exchange and other movements	(59,847)	–	(59,847)
At 31 December 2023	7,033,340	–	7,033,340

* Includes Singapore and other government securities.

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43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Movement in gross exposures (cont'd)

Undrawn commitments and financial guarantees	Group				Bank			
	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000	Stage 1 S\$'000	Stage 2 S\$'000	Stage 3 S\$'000	Total S\$'000
2024								
Balance at 1 January 2024	62,469,224	807,067	81,107	63,357,398	50,762,852	567,075	52,731	51,382,658
Transfer to Stage 1	337,726	(332,066)	(5,660)	–	210,722	(205,062)	(5,660)	–
Transfer to Stage 2	(1,251,804)	1,251,804	–	–	(1,039,841)	1,039,841	–	–
Transfer to Stage 3	–	(265,820)	265,820	–	–	(216,886)	216,886	–
Acquisitions	69,617,681	–	–	69,617,681	59,712,976	–	–	59,712,976
Derecognition	(61,112,276)	(709,952)	(240,260)	(62,062,488)	(53,309,089)	(554,124)	(211,292)	(54,074,505)
Foreign exchange and other movements	1,279,761	16,241	6,421	1,302,423	1,044,782	11,030	1,354	1,057,166
At 31 December 2024	71,340,312	767,274	107,428	72,215,014	57,382,402	641,874	54,019	58,078,295
2023								
Balance at 1 January 2023	57,039,900	1,117,060	84,823	58,241,783	47,003,771	878,024	47,244	47,929,039
Transfer to Stage 1	1,088,385	(1,088,385)	–	–	905,241	(905,241)	–	–
Transfer to Stage 2	(2,328,159)	2,328,159	–	–	(1,764,742)	1,764,742	–	–
Transfer to Stage 3	(2,666)	(204,876)	207,542	–	–	(119,528)	119,528	–
Acquisitions	81,753,341	–	–	81,753,341	69,575,713	–	–	69,575,713
Derecognition	(74,206,255)	(1,332,201)	(205,612)	(75,744,068)	(64,390,798)	(1,045,197)	(113,071)	(65,549,066)
Foreign exchange and other movements	(875,322)	(12,690)	(5,646)	(893,658)	(566,333)	(5,725)	(970)	(573,028)
At 31 December 2023	62,469,224	807,067	81,107	63,357,398	50,762,852	567,075	52,731	51,382,658

43. Risk management (cont'd)

Risk governance (cont'd)

(a) *Credit risk (cont'd)*

Credit risk mitigation

Potential credit losses from any given account, client or portfolio are mitigated using a range of tools such as collateral, netting agreements, credit insurance, credit derivatives taking into account expected volatility and guarantees. The reliance that can be placed on these mitigations is carefully assessed in light of issues such as legal certainty and enforceability, market valuation correlation and counterparty risk of the guarantor. The credit risk mitigation policy determines the key considerations for eligibility, enforceability and effectiveness of credit risk mitigation arrangements.

In order to be recognised as security and for the loan to be classified as secured, all items pledged must be valued and an active secondary resale market must exist for the collateral. Documentation must be held to enable the Group to realise the asset without the cooperation of the asset owner in the event that this is necessary. The Group also seeks to diversify its collateral holdings across asset classes and markets.

Regular valuation of collateral is required in accordance with the credit risk mitigation policy, which prescribes both the process of valuation and the frequency of valuation for different collateral types.

Where appropriate, collateral values are adjusted to reflect current market conditions, the probability of recovery and the period of time to realise the collateral in the event of possession. Where guarantees or credit derivatives are used as credit risk mitigation, the creditworthiness of the guarantor is assessed and established using the credit approval process in addition to that of the obligor or main counterparty.

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43. Risk management (cont'd)

Risk governance (cont'd)

(a) Credit risk (cont'd)

Credit risk mitigation (cont'd)

An estimate of the fair value of collateral and other credit enhancements held against bills receivable, loans and advances to customers and banks, after adjusting for the effect of over-collateralisation and excluding allowances made for impairment losses is shown below:

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Gross bills receivable, loans and advances to customers and banks	94,673,157	90,118,252	75,841,898	72,257,128
Less: Financial effect of collateral held*				
- Cash	(1,754,021)	(1,523,841)	(1,159,661)	(1,218,172)
- Structured products	(675,699)	(510,817)	(675,699)	(510,817)
- Equity securities	(1,426,183)	(694,514)	(1,426,183)	(694,514)
- Real estate	(25,144,758)	(25,651,967)	(19,816,202)	(21,137,204)
- Funds	(1,950,022)	(1,367,511)	(1,950,022)	(1,367,511)
- Insurance	(3,627,859)	(3,236,528)	(3,619,054)	(3,236,528)
- Bonds	(2,162,795)	(2,103,762)	(769,360)	(704,136)
- Other physical collateral	(3,194,147)	(2,711,381)	(3,360,432)	(2,709,780)
- Guarantees	(2,266,321)	(1,764,738)	(1,919,921)	(1,528,799)
- Others	(69,198)	(76,232)	(40,942)	(32,121)
Total collateral held	(42,271,003)	(39,641,291)	(34,737,476)	(33,139,582)
- Of which: collateral held for credit-impaired financial assets	(230,949)	(284,955)	(78,834)	(74,331)
Net exposure from bills receivable, loan and advances to customers and banks	52,402,154	50,476,961	41,104,422	39,117,546

* This excludes collaterals against wealth management exposures which are managed at portfolio level.

Collateral and other credit enhancements obtained

During the financial year, the Group has obtained assets by taking possession of collateral held as security, or by calling upon other credit enhancements. As at reporting date, re-possessed assets in the Group's possession amounted to:

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Properties	8,300	15,557	8,300	1,710

Repossessed properties are made available for sale in an orderly fashion, with the proceeds used to reduce or repay the outstanding indebtedness. Where the proceeds are in excess of the amount owed to the Bank, the excess is returned to the borrower.

43. Risk management (cont'd)

Risk governance (cont'd)

(b) *Traded risk*

Traded risk is the potential for loss resulting from activities undertaken in financial markets and covers mainly Counterparty Credit Risk and Market Risk. The Group establishes the Traded Risk Type Framework, which sets out the overall risk management approach for traded risk.

Traded Risk Management ("TRM") is the core risk management function supporting market-facing businesses, specifically Financial Markets and Treasury Markets.

(c) *Market risk*

Market Risk is the potential for loss of economic value due to adverse changes in financial market rates or prices. The Group's exposure to market risk arises predominantly from the following sources:

- **Trading book:** The Group provides customer access to financial markets, facilitation of which entails the Group taking moderate market risk positions. All trading teams support customer activity; there are no proprietary trading teams. Hence, income earned from market risk-related activities is primarily driven by the volume of client activity rather than risk-taking.
- **Non-trading book:** The Treasury Markets desk is required to hold a liquid assets buffer, much of which is held in high-quality marketable debt securities.

The primary categories of market risk for the Group are:

- **Interest Rate Risk:** arising from changes in yield curves, credit spreads and implied volatilities on interest rate options.
- **Foreign Exchange Rate Risk:** arising from changes in currency exchange rates and implied volatilities on foreign exchange options.
- **Commodity Risk:** arising from changes in commodity prices and implied volatilities on commodity options; covering mainly Gold and Silver positions for the entity.

The Group's Board sets Market Risk Appetite for the Group, taking into account market volatility, range of products, the balance sheet and capital.

The Hub BRC under delegated authority from the Group's Board, approves Market Risk Type Framework for the Group. The SGARC performs market risk oversight and approve market risk limits for the Group in line with the Group's Board Risk Appetite for market risk. The SGARC also approves delegated authorities to the respective risk managers to perform day to day risk management responsibilities.

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43. Risk management (cont'd)

Risk governance (cont'd)

(c) *Market risk (cont'd)*

TRM function monitors market risk exposures against approved limits. Sensitivity measures and stress testing are used in addition to Value at Risk ("VaR") as risk management tools. The Group uses historical simulation approach to measure VaR, which is calculated for expected movements over a one business day holding period at a 97.5 per cent confidence level.

Market risk changes

Trading book market risk positions are mainly from interest rates trading, credit trading, commodity trading and foreign exchange. Trading activities have remained relatively unchanged and client-driven in 2024.

Trading VaR (at 97.5%, 1 day)

	2024				2023			
	Average US\$ million	High ¹ US\$ million	Low ¹ US\$ million	Actual ² US\$ million	Average US\$ million	High ¹ US\$ million	Low ¹ US\$ million	Actual ² US\$ million
Daily VaR								
Interest rate risk ³	2.217	4.256	1.379	2.164	2.729	4.954	1.680	2.663
Foreign exchange risk	0.629	1.361	0.282	1.127	1.070	2.044	0.346	1.435
Commodity risk	0.212	1.086	0.094	0.147	0.469	1.194	0.076	0.187
Overall trading VaR ⁴	2.471	4.767	1.490	2.619	3.211	5.092	1.937	2.918

Non-trading VaR (at 97.5%, 1 day)

	2024				2023			
	Average US\$ million	High ¹ US\$ million	Low ¹ US\$ million	Actual ² US\$ million	Average US\$ million	High ¹ US\$ million	Low ¹ US\$ million	Actual ² US\$ million
Daily VaR								
Interest rate risk ³	5.250	8.680	1.970	6.510	3.300	4.460	2.125	2.257

¹ Highest and lowest VaR for each risk factor are independent and usually occur on different days.

² Actual one-day VaR at year-end date.

³ Interest Rate Risk VaR includes Credit Spread Risk arising from securities accounted for as fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI).

⁴ The total VaR shown in the tables above is not equal to the sum of the component risks due to offsets between them.

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43. Risk management (cont'd)

Risk governance (cont'd)

(c) *Market risk (cont'd)*

Currency exposure

The following table provides a breakdown of the Group's and Bank's assets and liabilities by currency as at the reporting date:

Group	SGD S\$'000	USD S\$'000	EUR S\$'000	Others S\$'000	Total S\$'000
2024					
Total assets	43,101,883	171,172,937	(9,555,853)	(22,474,351)	182,244,616
Total liabilities	(38,243,607)	(166,886,243)	9,569,174	25,514,125	(170,046,551)
Net assets	4,858,276	4,286,694	13,321	3,039,774	12,198,065
2023					
Total assets	78,291,749	1,601,888	11,779,659	74,386,697	166,059,993
Total liabilities	(73,869,597)	1,885,951	(11,700,586)	(71,187,431)	(154,871,663)
Net assets	4,422,152	3,487,839	79,073	3,199,266	11,188,330
Bank					
2024					
Total assets	43,936,671	167,629,221	(8,739,846)	(42,800,231)	160,025,815
Total liabilities	(38,908,568)	(160,674,439)	8,750,690	43,069,636	(147,762,681)
Net assets	5,028,103	6,954,782	10,844	269,405	12,263,134
2023					
Total assets	75,923,897	8,692,927	11,239,493	46,267,807	142,124,124
Total liabilities	(71,348,708)	(2,183,395)	(11,169,255)	(46,138,189)	(130,839,547)
Net assets	4,575,189	6,509,532	70,238	129,618	11,284,577

Included in others are net assets/(liabilities) in the following significant foreign currency exposures:

Group	AUD S\$'000	INR S\$'000	JPY S\$'000	GBP S\$'000	HKD S\$'000	RMB S\$'000	CHF S\$'000	KRW S\$'000
2024	1,524	30,093	(3,971)	(18,767)	14,912	(21,753)	35,405	319
2023	(232)	17,791	(18,169)	6,731	(13,337)	(54,612)	40,085	(2,659)
Bank								
2024	2,719	29,783	(3,962)	(19,353)	13,387	(23,358)	34,920	375
2023	(2,235)	17,327	(33,798)	5,664	(13,680)	(62,667)	37,711	(2,184)

43. Risk management (cont'd)

Risk governance (cont'd)

(d) *Liquidity risk*

Liquidity risk is the risk that the Group does not have sufficient financial resources available to meet all its obligations as they fall due or can only access these financial resources at an excessive cost. The Group's policy is to maintain adequate liquidity and funding at all times. Liquidity risk is managed in conjunction with set liquidity policies and practices and local regulatory requirement.

The RALCO is responsible for ensuring that the Group is able to meet all its obligations to make payments as they fall due and operates within the local regulations and liquidity limits set for the Group. In the short term, the focus is on ensuring that the cash flow demands can be met when required. In the medium-to-long term, the focus is on ensuring that the balance sheet remains structurally sound and aligned to the strategy.

Contractual maturity for financial liabilities

The following table analyses the contractual cash flows payable (includes principal and interest) for the Group's financial liabilities by remaining contractual maturities on an undiscounted basis. In practice, however, the liability instruments behave differently from their contractual terms and typically, for short term customer accounts, extend to a longer period than their contractual maturity.

Derivative financial instruments include those net-settled and gross-settled derivative contracts in a net liability position. Derivatives not treated as hedging derivatives are included in the 'On demand' time bucket and not by contractual maturity.

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43. Risk management (cont'd)

Risk governance (cont'd)

(d) *Liquidity risk (cont'd)*

Analysis of financial liabilities by remaining contractual maturities

Group	Carrying amount S\$'000	Total S\$'000	On demand S\$'000	Within 1 year S\$'000	Between 1 to 5 years S\$'000	More than 5 years S\$'000
As at 31 December 2024						
Deposits and balances of banks	5,765,692	5,803,778	2,178,860	3,080,729	544,189	—
Deposits of non-bank customers	135,126,662	135,701,104	87,192,422	48,363,669	142,010	3,003
Structured notes and deposits	2,479,580	2,488,804	—	901,188	1,587,542	74
Derivatives financial instruments and other trading liabilities	6,530,000	6,530,000	5,905,170	72,890	343,461	208,479
Bills and drafts payable	2,628,823	2,628,823	—	2,628,823	—	—
Amounts due to intermediate holding company and its branches	4,618,677	4,620,874	2,051,421	2,512,731	3,864	52,858
Amounts due to related corporations	3,140,709	3,459,942	96,199	1,748,297	1,613,413	2,033
Other liabilities*	4,260,414	4,260,414	—	4,260,414	—	—
Lease liabilities	229,622	229,622	—	40,042	113,955	75,625
Subordinated notes	3,738,019	5,687,681	—	261,670	1,243,115	4,182,896
	168,518,198	171,411,042	97,424,072	63,870,453	5,591,549	4,524,968

* Excludes non-financial instruments.

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43. Risk management (cont'd)

Risk governance (cont'd)

(d) *Liquidity risk (cont'd)*

Analysis of financial liabilities by remaining contractual maturities (cont'd)

Group	Carrying amount S\$'000	Total S\$'000	On demand S\$'000	Within 1 year S\$'000	Between 1 to 5 years S\$'000	More than 5 years S\$'000
As at 31 December 2023						
Deposits and balances of banks	7,139,298	7,158,699	2,790,604	3,822,230	545,775	90
Deposits of non-bank customers	126,327,049	126,818,471	84,241,883	42,112,071	464,107	410
Structured notes and deposits	889,773	894,099	–	698,220	195,879	–
Derivatives financial instruments and other trading liabilities	4,999,850	4,999,850	4,363,123	62,408	357,077	217,242
Bills and drafts payable	2,345,432	2,345,432	–	2,340,551	4,881	–
Amounts due to intermediate holding company and its branches	3,677,528	3,685,548	478,457	2,841,833	282,276	82,982
Amounts due to related corporations	1,499,075	1,499,075	95,460	709,462	694,153	–
Other liabilities*	2,593,342	2,593,342	–	2,593,275	67	–
Lease liabilities	240,951	240,951	–	33,584	110,897	96,470
Subordinated notes	3,568,810	5,848,401	–	271,924	1,533,508	4,042,969
	153,281,108	156,083,868	91,969,527	55,485,558	4,188,620	4,440,163

* Excludes non-financial instruments.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2024

43. Risk management (cont'd)

Risk governance (cont'd)

(d) *Liquidity risk (cont'd)*

Analysis of financial liabilities by remaining contractual maturities (cont'd)

Bank	Carrying amount S\$'000	Total S\$'000	On demand S\$'000	Within 1 year S\$'000	Between 1 to 5 years S\$'000	More than 5 years S\$'000
As at 31 December 2024						
Deposits and balances of banks	4,951,061	4,977,939	1,907,328	2,526,422	544,189	—
Deposits of non-bank customers	110,243,920	110,602,450	69,831,424	40,704,036	63,987	3,003
Structured notes and deposits	2,129,765	2,138,989	—	569,047	1,569,942	—
Derivatives financial instruments and other trading liabilities	5,139,974	5,139,974	4,723,098	28,538	244,771	143,567
Bills and drafts payable	2,396,990	2,396,990	—	2,396,990	—	—
Amounts due to intermediate holding company and its branches	4,222,319	4,224,517	2,008,930	2,158,865	3,864	52,858
Amounts due to related corporations	1,545,239	1,552,344	87,315	1,376,199	86,797	2,033
Amounts due to subsidiaries	8,170,194	8,181,942	900,582	7,281,360	—	—
Other liabilities*	3,807,497	3,807,497	—	3,807,497	—	—
Lease liabilities	206,574	206,574	—	30,798	101,049	74,727
Subordinated notes	3,585,998	5,493,935	—	261,670	1,049,369	4,182,896
	146,399,531	148,723,151	79,458,677	61,141,422	3,663,968	4,459,084

* Excludes non-financial instruments.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2024

43. Risk management (cont'd)

Risk governance (cont'd)

(d) *Liquidity risk (cont'd)*

Analysis of financial liabilities by remaining contractual maturities (cont'd)

Bank	Carrying amount S\$'000	Total S\$'000	On demand S\$'000	Within 1 year S\$'000	Between 1 to 5 years S\$'000	More than 5 years S\$'000
As at 31 December 2023						
Deposits and balances of banks	6,348,746	6,359,081	2,396,764	3,416,452	545,775	90
Deposits of non-bank customers	103,094,205	103,434,853	67,943,085	35,440,371	51,049	348
Structured notes and deposits	691,601	695,927	—	610,158	85,769	—
Derivatives financial instruments and other trading liabilities	3,830,646	3,830,646	3,535,051	20,502	215,365	59,728
Bills and drafts payable	2,147,375	2,147,375	—	2,147,375	—	—
Amounts due to intermediate holding company and its branches	3,269,041	3,277,060	376,536	2,535,266	282,276	82,982
Amounts due to related corporations	379,613	379,613	64,638	314,975	—	—
Amounts due to subsidiaries	4,263,247	4,269,123	431,002	3,838,121	—	—
Other liabilities*	2,007,855	2,007,855	—	2,007,855	—	—
Lease liabilities	220,266	220,266	—	27,605	97,301	95,360
Subordinated notes	3,149,254	5,290,602	—	261,675	1,306,981	3,721,946
	129,401,849	131,912,401	74,747,076	50,620,355	2,584,516	3,960,454

* Excludes non-financial instruments.

43. Risk management (cont'd)

Risk governance (cont'd)

(e) *Operational and Technology risk*

The Group defines Operational and Technology Risk as the “Potential for loss from inadequate or failed internal processes, technology events, human error, or from the impact of external events (including legal risks)”. Operational Risks can be mitigated through the application of an effective system of controls. The Group aims to control operational and technology risks to ensure that operational losses (financial or reputational), including any related to conduct of business matters, do not cause material damage to the Group's franchise. The Group applies the Standardised Approach for measuring the capital requirements for operational risk.

(f) *Environmental, Social and Governance and Reputational (“ESGR”) risk*

SC Group defines ESGR risk as the potential or actual adverse impact on the environment and/or society, the SC Group's financial performance, operations, or SC Group's name, brand or standing, arising from environmental, social or governance factors, or as a result of SC Group's actual or perceived actions or inactions.

The ESGR RTF provides the overall risk management approach for ESG and Reputational risks.

The Reputational risk policy sets out the principal sources of reputational risk driven by negative shifts in stakeholder perceptions, and the responsibilities for managing Reputational risk. Its scope also includes the management of greenwashing risk which can arise during product and/or deal lifecycle, sustainability reporting and disclosures, and external campaigns related to sustainability themes.

The Environmental, Social and Governance (“ESG”) risk policy outlines the SC Group's commitment to integrating ESG considerations into its business, operations, and decision-making process. The policy sets out the requirements for identifying, assessing, and managing ESG risks including Climate risk.

(g) *Model risk*

SC Group defines Model Risk as potential loss that may occur as a consequence of decisions or the risk of mis-estimation that could be principally based on the output of models, due to errors in the development, implementation or use of such models.

The Model risk policy and standards define requirements for model development, validation, implementation and use, including regular model performance monitoring and, where required, model risk mitigants.

Model deficiencies identified through the development or validation process, or model performance issues identified through ongoing monitoring, are mitigated through respective model risk mitigants. Mitigants include model overlays, model restrictions and a model recalibration or redevelopment, all which undergo independent review, challenge, and approval.

43. Risk management (cont'd)

Risk governance (cont'd)

(g) *Model risk (cont'd)*

SCBSL Group monitors Model Risk via a set of RA metrics that are approved by the SCBSL Group's Board. Adherence to Model RA and any threshold breaches are reported to Hub Local Model Assessment Committee ("Hub LMAC"), SGARC and SCBSL Hub BRC. These metrics are reviewed on annual basis to ensure that threshold calibration remains appropriate, and the themes adequately cover the current risks.

Models undergo regular monitoring and independent validation based on their level of perceived model materiality and uncertainty, with results presented and breaches escalated to the Model Sponsor, Model Owner, Group Model Validation. For Internal Ratings Based Approach ("IRBA") models approved by MAS and ECL models, results are also presented to Hub LMAC, and quarterly updates to SGARC and SCBSL Hub BRC. The frequency required by regulator over-write the frequency prescribed in the Model Risk Framework and the accompanying policy.

(h) *Capital management*

The Group's approach to capital management is to maintain a strong capital base to support the development of the Group's business and to meet regulatory capital requirements at all times.

The Group applies the Internal Capital Adequacy Assessment Process ("ICAAP") to assess its capital demand on a current, planned and stressed basis. The assessment covers the major risks faced by the Group, in addition to credit, market and operational risks that are covered under the minimum capital requirements. The capital management and planning process is overseen by the Regional ALCO, which is chaired by the Regional CEO.

The Group's regulator, MAS, under MAS Notice 637 to Banks on Risk Based Capital Adequacy Requirements sets out the requirements relating to the minimum capital adequacy ratios for banks incorporated in Singapore and the methodology the banks shall use in calculating these ratios.

The table below shows the composition of the Group's regulatory capital and its capital adequacy ratios, determined according to the requirements of MAS Notice 637 to Banks.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements For the financial year ended 31 December 2024

43. Risk management (cont'd)

Risk governance (cont'd)

(h) *Capital management (cont'd)*

	Group		Bank	
	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Ordinary shares	7,690,429	7,690,429	7,690,429	7,690,429
Disclosed reserves	2,111,778	1,119,789	2,298,880	1,340,138
Minority interest that meets criteria for inclusion	72,673	46,069	—	—
Regulatory adjustments	(986,320)	(1,031,591)	(2,291,855)	(2,357,635)
Common Equity Tier 1 ("CET 1") Capital	8,888,560	7,824,696	7,697,454	6,672,931
Non-cumulative redeemable preference shares	1,081,209	1,831,209	1,081,209	1,831,209
Perpetual capital securities	750,000	—	750,000	—
AT1 capital instruments issued by fully-consolidated subsidiaries that meet criteria for inclusion	6,440	2,261	—	—
Regulatory adjustments	—	—	(123,000)	(123,000)
Additional Tier 1 ("AT1") Capital	1,837,649	1,833,470	1,708,209	1,708,209
Tier 1 Capital	10,726,209	9,658,166	9,405,663	8,381,140
Subordinated notes	3,585,998	3,149,254	3,585,998	3,149,254
Tier 2 capital instruments issued by fully-consolidated subsidiaries that meet criteria for inclusion	8,581	3,010	—	—
Impairment allowances	289,219	330,025	332,986	256,983
Regulatory adjustments	—	—	(301,649)	(79,061)
Tier 2 Capital	3,883,798	3,482,289	3,617,335	3,327,176
Eligible Total Capital	14,610,007	13,140,455	13,022,998	11,708,316
Risk-weighted assets	60,021,568	54,659,546	50,821,808	46,251,264
Capital adequacy ratios				
Common Equity Tier 1	14.81%	14.32%	15.15%	14.43%
Tier 1	17.87%	17.67%	18.51%	18.12%
Total	24.34%	24.04%	25.62%	25.31%

Pursuant to section 9 of the Banking Act of Singapore, the Group is required to maintain a paid-up capital and capital funds of not less than S\$1,500,000,000.

The Group's capital is the aggregate of its paid-up share capital and disclosed reserves which include retained earnings and reserves.

The Group has complied with the requirement prescribed by the MAS throughout the year.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
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44. Financial instruments

Classification

The Group's classification of its financial assets and liabilities is summarised in the following tables.

Group	Assets at fair value				Asset at amortised cost S\$'000	Total S\$'000
	Mandatorily at fair value through profit or loss S\$'000	Derivatives held for hedging S\$'000	Designated at fair value through profit or loss S\$'000	Fair value through other comprehensive income S\$'000		
2024						
Assets						
Cash and balances with central banks	305,542	–	–	–	28,990,268	29,295,810
Singapore government securities and treasury bills	7,838,298	–	–	7,894,727	759,744	16,492,769
Other government securities and treasury bills	4,831,754	–	–	4,524,563	729,505	10,085,822
Investment securities	2,739,345	–	–	2,002,194	2,067,034	6,808,573
Derivative financial instruments	5,918,547	182,643	–	–	–	6,101,190
Loans and advances to banks	2,117,316	–	–	–	7,151,179	9,268,495
Loans and advances to customers	1,437,086	–	–	–	72,980,561	74,417,647
Bills receivable	–	–	–	–	10,178,688	10,178,688
Amounts due from intermediate holding company and its branches	1,863,194	–	–	–	8,848,532	10,711,726
Amounts due from related corporations	220,050	–	–	–	645,085	865,135
Other assets*	–	–	–	–	2,260,368	2,260,368
Assets held for sale	–	–	–	–	70,765	70,765
	27,271,132	182,643	–	14,421,484	134,681,729	176,556,988

* Excludes non-financial instruments.

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Notes to the financial statements
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44. Financial instruments (cont'd)

Classification (cont'd)

Group	Liabilities at fair value			Liabilities at amortised cost S\$'000	Total S\$'000
	Mandatorily at fair value through profit or loss S\$'000	Derivatives held for hedging S\$'000	Designated at fair value through profit or loss S\$'000		
2024					
Liabilities					
Deposits and balances of banks	—	—	176,680	5,589,012	5,765,692
Deposits of non-bank customers	—	—	—	135,126,662	135,126,662
Structured notes and deposits	—	—	852,677	1,626,903	2,479,580
Derivative financial instruments and other trading liabilities	6,358,382	171,618	—	—	6,530,000
Bills and drafts payable	—	—	—	2,628,823	2,628,823
Amounts due to intermediate holding company and its branches	—	—	993,662	3,625,015	4,618,677
Amounts due to related corporations	—	—	—	3,140,709	3,140,709
Other liabilities*	—	—	—	4,490,036	4,490,036
Subordinated notes	—	—	—	3,738,019	3,738,019
	6,358,382	171,618	2,023,019	159,965,179	168,518,198

* Excludes non-financial instruments.

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Notes to the financial statements
For the financial year ended 31 December 2024

44. Financial instruments (cont'd)

Classification (cont'd)

Group	Assets at fair value				Asset at amortised cost S\$'000	Total S\$'000
	Mandatorily at fair value through profit or loss S\$'000	Derivatives held for hedging S\$'000	Designated at fair value through profit or loss S\$'000	Fair value through other comprehensive income S\$'000		
2023						
Assets						
Cash and balances with central banks	338,340	—	—	—	29,900,564	30,238,904
Singapore government securities and treasury bills	2,520,837	—	—	1,987,019	620,117	5,127,973
Other government securities and treasury bills	4,416,398	—	—	3,846,648	283,566	8,546,612
Investment securities	3,120,265	—	—	651,446	3,839,342	7,611,053
Derivative financial instruments	4,018,537	91,592	—	—	—	4,110,129
Loans and advances to banks	3,483,385	—	—	—	9,152,203	12,635,588
Loans and advances to customers	1,255,083	—	—	—	66,987,736	68,242,819
Bills receivable	—	—	—	—	8,467,932	8,467,932
Amounts due from intermediate holding company and its branches	805,291	—	—	—	12,085,143	12,890,434
Amounts due from related corporations	—	—	—	—	397,815	397,815
Other assets*	—	—	—	—	2,113,112	2,113,112
Assets held for sale	—	—	—	—	26,294	26,294
	19,958,136	91,592	—	6,485,113	133,873,824	160,408,665

* Excludes non-financial instruments.

Standard Chartered Bank (Singapore) Limited and its subsidiaries

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44. Financial instruments (cont'd)

Classification (cont'd)

Group	Liabilities at fair value			Liabilities at amortised cost S\$'000	Total S\$'000
	Mandatorily at fair value through profit or loss S\$'000	Derivatives held for hedging S\$'000	Designated at fair value through profit or loss S\$'000		
2023					
Liabilities					
Deposits and balances of banks	—	—	340,051	6,799,247	7,139,298
Deposits of non-bank customers	—	—	—	126,327,049	126,327,049
Structured notes and deposits	—	—	758,949	130,824	889,773
Derivative financial instruments and other trading liabilities	4,954,609	45,241	—	—	4,999,850
Bills and drafts payable	—	—	—	2,345,432	2,345,432
Amounts due to intermediate holding company and its branches	—	—	935,482	2,742,046	3,677,528
Amounts due to related corporations	—	—	—	1,499,075	1,499,075
Other liabilities*	—	—	—	2,834,293	2,834,293
Subordinated notes	—	—	—	3,568,810	3,568,810
	4,954,609	45,241	2,034,482	146,246,776	153,281,108

* Excludes non-financial instruments.

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Notes to the financial statements
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44. Financial instruments (cont'd)

Classification (cont'd)

Bank	Assets at fair value				Asset at amortised cost S\$'000	Total S\$'000
	Mandatorily at fair value through profit or loss S\$'000	Derivatives held for hedging S\$'000	Designated at fair value through profit or loss S\$'000	Fair value through other comprehensive income S\$'000		
2024						
Assets						
Cash and balances with central bank Singapore	176,521	—	—	—	28,016,534	28,193,055
government securities and treasury bills	7,838,298	—	—	5,095,243	759,744	13,693,285
Other government securities and treasury bills	2,378,022	—	—	2,563,681	—	4,941,703
Investment securities	2,683,451	—	—	1,992,388	1,858,994	6,534,833
Derivative financial instruments	4,893,785	161,771				5,055,556
Loans and advances to banks	1,288,638	—	—	—	4,872,734	6,161,372
Loans and advances to customers	1,207,488	—	—	—	58,999,420	60,206,908
Bills receivable	—	—	—	—	8,988,137	8,988,137
Amounts due from intermediate holding company and its branches	1,839,765	—	—	—	8,519,999	10,359,764
Amounts due from related corporations	220,050	—	—	—	581,866	801,916
Amounts due from subsidiaries	—	—	—	—	4,758,178	4,758,178
Other assets*	—	—	—	—	1,576,507	1,576,507
Assets held for sale	—	—	—	—	70,765	70,765
	22,526,018	161,771	—	9,651,312	119,002,878	151,341,979

* Excludes non-financial instruments.

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44. Financial instruments (cont'd)

Classification (cont'd)

Bank	Liabilities at fair value			Liabilities at amortised cost S\$'000	Total S\$'000
	Mandatorily at fair value through profit or loss S\$'000	Derivatives held for hedging S\$'000	Designated at fair value through profit or loss S\$'000		
2024					
Liabilities					
Deposits and balances of banks	–	–	176,680	4,774,381	4,951,061
Deposits of non-bank customers	–	–	–	110,243,920	110,243,920
Structured notes and deposits	–	–	502,862	1,626,903	2,129,765
Derivative financial instruments and other trading liabilities	4,972,050	167,924	–	–	5,139,974
Bills and drafts payable	–	–	–	2,396,990	2,396,990
Amounts due to intermediate holding company and its branches	–	–	993,662	3,228,657	4,222,319
Amounts due to related corporations	–	–	–	1,545,239	1,545,239
Amounts due to subsidiaries	–	–	–	8,170,194	8,170,194
Other liabilities*	–	–	–	4,014,071	4,014,071
Subordinated notes	–	–	–	3,585,998	3,585,998
	4,972,050	167,924	1,673,204	139,586,353	146,399,531

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44. Financial instruments (cont'd)

Classification (cont'd)

Bank	Assets at fair value				Asset at amortised cost S\$'000	Total S\$'000
	Mandatorily at fair value through profit or loss S\$'000	Derivatives held for hedging S\$'000	Designated at fair value through profit or loss S\$'000	Fair value through other comprehensive income S\$'000		
2023						
Assets						
Cash and balances with central bank Singapore	199,333	—	—	—	28,945,678	29,145,011
government securities and treasury bills	2,520,837	—	—	647,979	620,117	3,788,933
Other government securities and treasury bills	2,746,060	—	—	1,663,238	—	4,409,298
Investment securities	2,893,517	—	—	642,278	3,459,669	6,995,464
Derivative financial instruments	3,122,162	63,591				3,185,753
Loans and advances to banks	2,370,055	—	—	—	7,267,575	9,637,630
Loans and advances to customers	981,754	—	—	—	54,345,654	55,327,408
Bills receivable	—	—	—	—	6,815,341	6,815,341
Amounts due from intermediate holding company and its branches	788,915	—	—	—	11,039,970	11,828,885
Amounts due from related corporations	—	—	—	—	315,275	315,275
Amounts due from subsidiaries	—	—	—	—	380,574	380,574
Other assets*	—	—	—	—	1,645,817	1,645,817
Assets held for sale	—	—	—	—	25,219	25,219
	15,622,633	63,591	—	2,953,495	114,860,889	133,500,608

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Notes to the financial statements
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44. Financial instruments (cont'd)

Classification (cont'd)

Bank	Liabilities at fair value			Liabilities at amortised cost S\$'000	Total S\$'000
	Mandatorily at fair value through profit or loss S\$'000	Derivatives held for hedging S\$'000	Designated at fair value through profit or loss S\$'000		
2023					
Liabilities					
Deposits and balances of banks	—	—	340,051	6,008,695	6,348,746
Deposits of non-bank customers	—	—	—	103,094,205	103,094,205
Structured notes and deposits	—	—	560,777	130,824	691,601
Derivative financial instruments and other trading liabilities	3,791,771	38,875	—	—	3,830,646
Bills and drafts payable	—	—	—	2,147,375	2,147,375
Amounts due to intermediate holding company and its branches	—	—	935,482	2,333,559	3,269,041
Amounts due to related corporations	—	—	—	379,613	379,613
Amounts due to subsidiaries	—	—	—	4,263,247	4,263,247
Other liabilities*	—	—	—	2,228,121	2,228,121
Subordinated notes	—	—	—	3,149,254	3,149,254
	3,791,771	38,875	1,836,310	123,734,893	129,401,849

* Excludes non-financial instruments.

Financial liabilities designated at fair value through profit or loss

Group	2024 S\$'000	2023 S\$'000
Carrying balance aggregate fair value	2,023,019	2,034,482
Amount contractually obliged to repay at maturity	2,042,902	2,099,971
Difference between aggregate fair value and contractually obliged to repay at maturity	(19,883)	(65,489)
Bank	2024 S\$'000	2023 S\$'000
Carrying balance aggregate fair value	1,673,204	1,836,310
Amount contractually obliged to repay at maturity	1,712,417	1,915,489
Difference between aggregate fair value and contractually obliged to repay at maturity	(39,213)	(79,179)

44. Financial instruments (cont'd)

Valuation of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market or, in the absence of this, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects the Group's non-performance risk. The fair value of financial instruments is generally measured on the basis of the individual financial instrument. However, when a group of financial assets and financial liabilities is managed on the basis of its net exposure to either market risk or credit risk, the fair value of the group of financial instruments is measured on a net basis.

The fair values of quoted financial assets and liabilities in active markets are based on current prices. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. Wherever possible, fair values have been calculated using unadjusted quoted market prices in active markets for identical instruments held by the Group. Where quoted market prices are not available, or are unreliable because of poor liquidity, fair values have been determined using valuation techniques which, to the extent possible, use market observable inputs, but in some cases use nonmarket observable inputs. Valuation techniques used include discounted cash flow analysis and pricing models and, where appropriate, comparison to instruments with characteristics similar to those of the instruments held by the Group.

The Valuation Control function is responsible for independent price verification, oversight of fair value adjustments and escalation of valuation issues. Independent price verification is the process of determining the valuations incorporated into the financial statements are validated independent of the business area responsible for the product. The Valuation Control function has oversight of the fair value adjustments to ensure the financial instruments are priced to exit. These are key controls in ensuring the material accuracy of the valuations incorporated in the financial statements. The market data used for price verification may include those sourced from recent trade data involving external counterparties or third parties such as Bloomberg, Reuters, brokers and consensus pricing providers. Valuation Control performs a semi annual review of the suitability of the market data used for price testing. Price verification uses independently sourced data that is deemed most representative of the market the instruments trade in. To determine the quality of the market data inputs, factors such as independence, relevance, reliability, availability of multiple data sources and methodology employed by the pricing provider are taken into consideration.

Formal committees for the business clusters, consisting of representatives from the Bank Market Risk, Product Control, Valuation Control and the Business meet monthly to discuss and approve the valuations of the inventory. The business cluster valuation committees fall under the Valuation Benchmarks Committee ("VBC") as part the of the valuation governance structure.

44. Financial instruments (cont'd)

Valuation hierarchy

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the observability of the significant inputs used to determine fair values.

Changes in the observability of significant valuation inputs during the reporting period may result in a transfer of assets and liabilities within the fair value hierarchy. The Group recognises transfers between levels of fair value hierarchy when there is a significant change in either its principal market or the level of observability of the inputs to the valuation techniques as at the end of the reporting period.

Level 1 - Level 1 fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 - Level 2 valuations are those with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in less than active markets and financial instruments valued using models where all significant inputs are observable.

Level 3 - Level 3 portfolios are those where at least one input which could have a significant effect on the instrument's valuation is not based on observable market data.

There have been no significant changes to valuation or levelling approaches.

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44. Financial instruments (cont'd)

Valuation hierarchy (cont'd)

The table below shows the classification of financial instruments carried at fair value into valuation hierarchy:

Group	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
2024				
Assets measured at fair value				
Cash and balances with central banks	–	305,542	–	305,542
Singapore government securities and treasury bills	15,733,025	–	–	15,733,025
Other government securities and treasury bills	3,246,283	6,110,034	–	9,356,317
Investment securities	680,370	3,217,810	843,359	4,741,539
Derivative financial instruments	7,189	6,056,559	37,442	6,101,190
Loans and advances to banks	–	1,630,811	486,505	2,117,316
Loans and advances to customers	–	920,539	516,547	1,437,086
Amounts due from intermediate holding company and its branches	–	1,863,194	–	1,863,194
Amounts due from related corporations	–	220,050	–	220,050
	19,666,867	20,324,539	1,883,853	41,875,259
Liabilities measured at fair value				
Deposits and balances of banks	–	176,680	–	176,680
Structured notes and deposits	–	627,108	225,569	852,677
Derivative financial instruments and other trading liabilities	257,973	6,044,622	227,405	6,530,000
Amounts due to intermediate holding company and its branches	–	993,662	–	993,662
	257,973	7,842,072	452,974	8,553,019

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
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44. Financial instruments (cont'd)

Valuation hierarchy (cont'd)

Group	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
2023				
Assets measured at fair value				
Cash and balances with central banks	–	338,340	–	338,340
Singapore government securities and treasury bills	4,507,856	–	–	4,507,856
Other government securities and treasury bills	3,570,987	4,692,059	–	8,263,046
Investment securities	236,683	2,069,140	1,465,888	3,771,711
Derivative financial instruments	10,803	4,055,630	43,696	4,110,129
Loans and advances to banks	–	3,124,086	359,299	3,483,385
Loans and advances to customers	–	1,135,396	119,687	1,255,083
Amounts due from intermediate holding company and its branches	–	805,291	–	805,291
Amounts due from related corporations	–	–	–	–
	8,326,329	16,219,942	1,988,570	26,534,841
Liabilities measured at fair value				
Deposits and balances of banks	–	340,051	–	340,051
Structured notes and deposits	–	458,452	300,497	758,949
Derivative financial instruments and other trading liabilities	265,388	4,596,519	137,943	4,999,850
Amounts due to intermediate holding company and its branches	–	935,482	–	935,482
	265,388	6,330,504	438,440	7,034,332

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For the financial year ended 31 December 2024

44. Financial instruments (cont'd)

Valuation hierarchy (cont'd)

Bank	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
2024				
Assets measured at fair value				
Cash and balances with central banks	–	176,521	–	176,521
Singapore government securities and treasury bills	12,933,541	–	–	12,933,541
Other government securities and treasury bills	3,042,636	1,899,067	–	4,941,703
Investment securities	680,370	3,161,916	833,553	4,675,839
Derivative financial instruments	5,875	5,020,591	29,090	5,055,556
Loans and advances to banks	–	802,133	486,505	1,288,638
Loans and advances to customers	–	690,941	516,547	1,207,488
Amounts due from intermediate holding company and its branches	–	1,839,765	–	1,839,765
Amounts due from related corporations	–	220,050	–	220,050
	16,662,422	13,810,984	1,865,695	32,339,101
Liabilities measured at fair value				
Deposits and balances of banks	–	176,680	–	176,680
Structured notes and deposits	–	291,181	211,681	502,862
Derivative financial instruments and other trading liabilities	256,441	4,656,128	227,405	5,139,974
Amounts due to intermediate holding company and its branches	–	993,662	–	993,662
	256,441	6,117,651	439,086	6,813,178

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44. Financial instruments (cont'd)

Valuation hierarchy (cont'd)

Bank	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
2023				
Assets measured at fair value				
Cash and balances with central banks	–	199,333	–	199,333
Singapore government securities and treasury bills	3,168,816	–	–	3,168,816
Other government securities and treasury bills	3,397,249	1,012,049	–	4,409,298
Investment securities	236,683	1,842,392	1,456,720	3,535,795
Derivative financial instruments	7,957	3,135,760	42,036	3,185,753
Loans and advances to banks	–	2,010,756	359,299	2,370,055
Loans and advances to customers	–	862,067	119,687	981,754
Amounts due from intermediate holding company and its branches	–	788,915	–	788,915
Amounts due from related corporations	–	–	–	–
	6,810,705	9,851,272	1,977,742	18,639,719
Liabilities measured at fair value				
Deposits and balances of banks	–	340,051	–	340,051
Structured notes and deposits	–	274,650	286,127	560,777
Derivative financial instruments and other trading liabilities	261,835	3,430,924	137,887	3,830,646
Amounts due to intermediate holding company and its branches	–	935,482	–	935,482
	261,835	4,981,107	424,014	5,666,956

There are no significant transfers of financial assets and liabilities measured at fair value between Level 1 and Level 2 during the year.

44. Financial instruments (cont'd)

Valuation techniques of financial instruments measured at fair value

Loans and advances to banks and customers

These include loans in the global syndications business which were not syndicated as of the balance sheet date and other financing transactions within Financial Markets. These loans are generally bilateral in nature and, where available, their valuation is based on observable clean sales transaction prices or market observable credit spreads. If observable credit spreads are not available, proxy spreads based on comparable loans with similar credit grade, sector, and region, are used. Where observable credit spreads and market standard proxy methods are available, these loans are classified as Level 2. Where there are no recent transactions or comparable loans, these loans are classified as Level 3.

Debt securities – Asset-backed securities

Asset-backed securities are valued based on external prices obtained from consensus pricing providers, broker quotes, recent trades, arrangers' quotes, etc. Where an observable price is available for a given security, it is classified as Level 2. In instances where third party prices are not available or reliable, the security is classified as Level 3. The fair value of Level 3 securities is estimated using market standard cash flow models with input parameter assumptions which include prepayment speeds, default rates, discount margins derived from comparable securities with similar vintage, collateral type, and credit ratings. Therefore, once external pricing has been verified, an assessment is made whether each security is traded with significant liquidity based on its credit rating and sector. If a security is of high credit rating and is traded in a liquid market, it will be classified as Level 2, otherwise it will be classified as Level 3.

Other debt securities

These debt securities include convertible bonds, corporate bonds, credit and structured notes. Where quoted prices are available through pricing vendors, brokers or observable trading activities from liquid markets, these are classified as Level 2 and valued using such quotes. Where there are significant valuation inputs which are unobservable in the market, due to illiquid trading or the complexity of the product, these are classified as Level 3. The valuations of these debt securities are implied using input parameters such as bond spreads and credit spreads. These input parameters are determined with reference to the same issuer (if available) or proxied from comparable issuers or assets.

Structured notes and deposits

These debt securities relate to structured notes issued by the Bank. Where independent market data is available through pricing vendors and broker sources these positions are classified as Level 2. Where such liquid external prices are not available, valuation of these debt securities are implied using input parameters such as bond spreads and credit spreads, and are classified as Level 3. These input parameters are determined with reference to the same issuer (if available) or proxies from comparable issuers or assets.

44. Financial instruments (cont'd)

Valuation techniques of financial instruments measured at fair value (cont'd)

Derivatives

Derivative products are classified as Level 2 if the valuation of the product is based upon input parameters which are observable from independent and reliable market data sources. Derivative products are classified as Level 3 if there are significant valuation input parameters which are unobservable in the market, such as products where the performance is linked to more than one underlying variable. Examples are foreign exchange basket options, equity options based on the performance of two or more underlying indices and interest rate products with quanto payouts. These unobservable correlation parameters could only be implied from the market, through methods such as historical analysis and comparison to historical levels or benchmark data.

Fair value adjustments

When establishing the exit price of a financial instrument using a valuation technique, the Group considers adjustments to the modelled price which market participants would make when pricing that instrument. The main valuation adjustments in determining fair value for financial assets and financial liabilities are as follows:

Bid Offer valuation adjustments

Where market parameters are marked on a mid-market basis in the revaluation systems, a bid offer valuation adjustment is required to quantify the expected cost of neutralising the business' positions through dealing away in the market, thereby bringing long positions to bid and short position to offer. The methodology to calculate the bid offer adjustment for derivative portfolio involves netting between long and short positions and the grouping of risk by strike and tenor based on the hedging strategy where long positions are marked to bid and short positions marked to offer in the systems.

Credit valuation adjustment ("CVA")

The Group makes CVA adjustment against the fair value of derivative products. CVA is an adjustment to the fair value of the transactions to reflect the possibility that our counterparties may default and we may not receive the full market value of the outstanding transactions. It represents an estimate of the adjustment a market participant would include when deriving a purchase price to acquire our exposures. CVA is calculated for each subsidiary, and within each entity for each counterparty to which the entity has exposure and takes account of any collateral we may hold. The Group calculates the CVA by applying the probability of default ("PD") on the potential estimated future positive exposure of the counterparty using market-implied PD. Where market-implied data is not readily available, we use market based proxies to estimate the PD. The methodologies do not, in general, account for 'wrong-way risk'. Wrong-way risk arises when the underlying value of the derivative prior to any CVA is positively correlated to the probability of default by the counterparty.

44. Financial instruments (cont'd)

Fair value adjustments (cont'd)

Debit valuation adjustment ("DVA")

The Group calculates DVA adjustments to reflect changes in its own credit standing. The Group's DVA adjustments are calculated on its derivative liabilities. The Group's DVA adjustments will increase if its credit standing worsens and conversely, decrease if its credit standing improves. The Group's DVA adjustments will reverse over time as its derivatives mature. For derivative liabilities, a DVA adjustment is determined by applying the Group's probability of default to the Group's negative expected exposure against the counterparty.

The Group's probability of default and loss expected in the event of default is derived based on internally assessed credit ratings and market standard recovery levels. The expected exposure is modelled based on simulation methodology and is generated through simulation of underlying risk factors over the life of the deal booked against the particular counterparty. This simulation methodology incorporates the collateral posted by the Group and the effects of master netting agreements. The methodology used to determine a DVA adjustment on derivative liabilities is consistent with the methodology used to determine CVA on derivative assets.

Own credit adjustments ("OCA")

The Group calculates OCA adjustments to reflect changes in its own credit standing. The Group's OCA adjustments are calculated on its issued debt designated at fair value, including structured notes. The Group's OCA adjustments will increase if its credit standing worsens and conversely, decrease if its credit standing improves. The Group's OCA adjustments will reverse over time as its liabilities mature. For issued debt and structured notes designated at fair value, an OCA adjustment is determined by discounting the contractual cash flows using a yield curve adjusted for market observed secondary senior debt issuance spreads above average interbank rates.

Model valuation adjustments/Parameters uncertainty adjustment

Valuation uncertainty may occur due to uncertainties in the required input parameters or uncertainties in the modeling methods used in valuation process. In such situation, adjustments may be necessary to take these factors into accounts. Valuation models may have pricing deficiencies or limitations that require a valuation adjustment. These pricing deficiencies or limitations arise due to the choice, implementation and calibration of the pricing model.

Funding valuation adjustments ("FVA")

The Group makes FVA adjustments against derivative products. FVA reflects an estimate of the adjustment to its fair value that a market participant would make to incorporate funding costs that could arise in relation to the exposure. FVA is calculated by determining the net expected exposure at a counterparty level and then applying a funding rate to those exposures that reflect the market cost of funding. The FVA for collateralised derivatives is based on discounting the expected future cash flows at the relevant overnight indexed swap ("OIS") rate after taking into consideration the terms of the underlying collateral agreement with the counterparty. The FVA for uncollateralised (including partially collateralised) derivatives incorporates the estimated present value of the market funding cost or benefit associated with funding these transactions.

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44. Financial instruments (cont'd)

Fair value adjustments (cont'd)

Day One profit and loss

In certain circumstances the initial fair value may be based on a valuation technique which may lead to the recognition of profits or losses at the time of initial recognition. However, these profits or losses can only be recognised when the valuation technique used is based primarily on observable market data. In those cases where the initially recognised fair value is based on a valuation model that uses inputs which are not observable in the market, the difference between the transaction price and the valuation model is not recognised immediately in the statement of profit or loss. The difference is amortised to the statement of profit or loss until the inputs become observable, or the transaction matures or is terminated.

Level 3 movement tables - financial assets and liabilities

The tables below analyse movements in Level 3 financial assets and liabilities measured at fair value for the Group and the Bank.

Group	Financial assets at fair value				
	Investment securities S\$'000	Derivatives S\$'000	Loans and advances to customers S\$'000	Loans and advances to banks S\$'000	Total S\$'000
2024					
Opening balance	1,465,888	43,696	119,687	359,299	1,988,570
Purchases	439,352	50,965	626,957	472,604	1,589,878
Sales	(962,113)	(53,573)	(377,739)	(427,631)	(1,821,056)
Total (losses)/gains in profit or loss	28,056	(9,835)	19,251	15,675	53,147
Total losses in statement of comprehensive income	(411)	–	–	–	(411)
Transfer into Level 3 ¹	–	11,174	149,297	66,558	227,029
Transfer out of Level 3 ²	(127,413)	(4,985)	(20,906)	–	(153,304)
Closing balance	843,359	37,442	516,547	486,505	1,883,853
Total (losses)/gains included in profit or loss for assets held at the end of the year	(1,838)	(10,830)	8,760	2,118	(1,790)

¹ Transfers in primarily relate to derivative financial instruments, loans and advances to customers and loans and advances to banks where the valuation parameters become unobservable during the year.

² Transfers out include investment securities, derivative financial instruments and loans and advances to customers where the valuation parameters become observable during the period and were transferred to Level 2.

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44. Financial instruments (cont'd)

Level 3 movement tables – financial assets and liabilities (cont'd)

Group	Financial assets at fair value				
	Investment securities S\$'000	Derivatives S\$'000	Loans and advances to customers S\$'000	Loans and advances to banks S\$'000	Total S\$'000
2023					
Opening balance	459,769	19,931	494,274	28,635	1,002,609
Purchases	1,107,203	91,144	78,474	362,363	1,639,184
Sales	(281,239)	(25,780)	(449,765)	–	(756,784)
Total losses in profit or loss	(19,862)	(34,244)	(6,035)	(3,079)	(63,220)
Total gains in statement of comprehensive income	1,054	–	–	–	1,054
Transfer into Level 3 ¹	198,963	5,112	14,502	–	218,577
Transfer out of Level 3 ²	–	(12,467)	(11,763)	(28,620)	(52,850)
Closing balance	1,465,888	43,696	119,687	359,299	1,988,570
Total (losses)/gains included in profit or loss for assets held at the end of the year	(6,925)	(31,584)	3,591	(3,553)	(38,471)

¹ Transfers in primarily relate to investment securities, derivative financial instruments and loans and advances to banks where the valuation parameters become unobservable during the year.

² Transfers out includes investment securities, derivative financial instruments and loans and advances to customers where the valuation parameters become observable during the period and were transferred to Level 2.

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44. Financial instruments (cont'd)

Level 3 movement tables - financial assets and liabilities (cont'd)

Bank	Financial assets at fair value				
	Investment securities S\$'000	Derivatives S\$'000	Loans and advances to customers S\$'000	Loans and advances to banks S\$'000	Total S\$'000
2024					
Opening balance	1,456,720	42,036	119,687	359,299	1,977,742
Purchases	439,352	38,406	626,957	472,604	1,577,319
Sales	(962,113)	(44,328)	(377,739)	(427,631)	(1,811,811)
Total (losses)/gains in profit or loss	27,544	(6,858)	19,251	15,675	55,612
Total losses in statement of comprehensive income	(537)	—	—	—	(537)
Transfer into Level 3 ¹	—	4,631	149,297	66,558	220,486
Transfer out of Level 3 ²	(127,413)	(4,797)	(20,906)	—	(153,116)
Closing balance	833,553	29,090	516,547	486,505	1,865,695
Total (losses)/gains included in profit or loss for assets held at the end of the year	(1,838)	(7,525)	8,760	2,118	1,515

¹ Transfers in primarily relate to derivative financial instruments, loans and advances to customers and loans and advances to banks where the valuation parameters become unobservable during the year.

² Transfers out includes investment securities, derivative financial instruments and loans and advances to customers where the valuation parameters become observable during the period and were transferred to Level 2.

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44. Financial instruments (cont'd)

Level 3 movement tables - financial assets and liabilities (cont'd)

Bank	Financial assets at fair value				
	Investment securities S\$'000	Derivatives S\$'000	Loans and advances to customers S\$'000	Loans and advances to banks S\$'000	Total S\$'000
2023					
Opening balance	451,157	15,113	494,274	28,635	989,179
Purchases	1,107,203	88,338	78,474	362,363	1,636,378
Sales	(281,239)	(21,658)	(449,765)	–	(752,662)
Total losses in profit or loss	(19,364)	(32,402)	(6,035)	(3,079)	(60,880)
Total gains in statement of comprehensive income	–	–	–	–	–
Transfer into Level 3 ¹	198,963	5,112	14,502	–	218,577
Transfer out of Level 3 ²	–	(12,467)	(11,763)	(28,620)	(52,850)
Closing balance	1,456,720	42,036	119,687	359,299	1,977,742
Total (losses)/gains included in profit or loss for assets held at the end of the year	(6,925)	(29,963)	3,591	(3,553)	(36,850)

¹ Transfers in primarily relate to investment securities, derivative financial instruments and loans and advances to banks where the valuation parameters become unobservable during the year.

² Transfers out includes investment securities, derivative financial instruments and loans and advances to customers where the valuation parameters become observable during the period and were transferred to Level 2.

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44. Financial instruments (cont'd)

Level 3 movement tables - financial assets and liabilities (cont'd)

Group	Financial liabilities at fair value		
	Structured notes and deposits S\$'000	Derivatives and other trading liabilities S\$'000	Total S\$'000
2024			
Opening balance	300,497	137,943	438,440
Issues	606,854	600,429	1,207,283
Sales	(566,787)	(356,710)	(923,497)
Settlements	(157,386)	(84,452)	(241,838)
Total loss in profit or loss	16,995	8,186	25,181
Transfer into Level 3 ¹	25,396	2,138	27,534
Transfer out of Level 3 ²	–	(80,129)	(80,129)
Closing balance	225,569	227,405	452,974
Total loss for the period included in profit or loss for liabilities held at the end of the reporting period	8,398	3,118	11,516
Bank	Financial liabilities at fair value		
	Structured notes and deposits S\$'000	Derivatives and other trading liabilities S\$'000	Total S\$'000
2024			
Opening balance	286,127	137,887	424,014
Issues	592,191	600,407	1,192,598
Sales	(537,430)	(356,644)	(894,074)
Settlements	(157,386)	(84,433)	(241,819)
Total loss in profit or loss	15,794	8,179	23,973
Transfer into Level 3 ¹	12,385	2,138	14,523
Transfer out of Level 3 ²	–	(80,129)	(80,129)
Closing balance	211,681	227,405	439,086
Total loss for the period included in profit or loss for liabilities held at the end of the reporting period	7,962	3,112	11,074

¹ Transfers in primarily relate to structured notes and derivative financial instruments where the valuation parameters become unobservable during the year.

² Transfers out includes derivative financial instruments where the valuation parameters become observable during the period and were transferred to Level 2.

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44. Financial instruments (cont'd)

Level 3 movement tables - financial assets and liabilities (cont'd)

Group	Financial liabilities at fair value		
	Structured notes and deposits S\$'000	Derivatives and other trading liabilities S\$'000	Total S\$'000
2023			
Opening balance	338,462	27,504	365,966
Issues	985,525	333,380	1,318,905
Sales	(903,877)	(157,405)	(1,061,281)
Settlements	(94,923)	(13,517)	(108,441)
Total gains in profit or loss	(24,690)	(50,911)	(75,601)
Transfer into Level 3 ¹	–	4,592	4,592
Transfer out of Level 3 ²	–	(5,700)	(5,700)
Closing balance	300,497	137,943	438,440
Total gains for the period included in profit or loss for liabilities held at the end of the reporting period	(19,056)	(47,677)	(66,733)
Bank	Financial liabilities at fair value		
	Structured notes and deposits S\$'000	Derivatives and other trading liabilities S\$'000	Total S\$'000
2023			
Opening balance	338,462	27,504	365,966
Issues	970,813	333,320	1,304,133
Sales	(903,877)	(157,402)	(1,061,279)
Settlements	(94,923)	(13,517)	(108,440)
Total gains in profit or loss	(24,348)	(50,909)	(75,257)
Transfer into Level 3 ¹	–	4,591	4,591
Transfer out of Level 3 ²	–	(5,700)	(5,700)
Closing balance	286,127	137,887	424,014
Total gains for the period included in profit or loss for liabilities held at the end of the reporting period	(19,036)	(47,677)	(66,713)

¹ Transfers in primarily relate to structured notes and derivative financial instruments where the valuation parameters become unobservable during the year.

² Transfers out includes derivative financial instruments where the valuation parameters become observable during the period and were transferred to Level 2.

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44. Financial instruments (cont'd)

Level 3 movement tables - financial assets and liabilities (cont'd)

The following table presents the Group and the Bank's primary Level 3 financial instruments which are held at fair value. The table also presents the valuation technique used to measure the fair value of those financial instruments, the significant unobservable input, the range of values for those inputs and the weighted average of those inputs:

Group Instrument	Value at 31 December 2024		Principal valuation technique	Significant unobservable input	Range ^(a)	Weighted average ^(b)
	Assets S\$'million	Liabilities S\$'million				
Investment securities	843	–	Discounted cash flows	Price/Yield	5.8%-15.3%	7.5%
			Discounted cash flows	Recovery rate	16.3%-16.3%	16.3%
			Discounted cash flows	Discount rates	9.2%-9.2%	9.2%
			Comparable yield	P/B multiples	0.6x-0.6x	0.6x
			Comparable yield	Liquidity discount	20.0%-20.0%	20.0%
Loans and advances to banks	487	–	Discounted cash flows	Repo curve	4.96%-5.1%	4.97%
Loans and advances to customers	517	–	Discounted cash flows	Price/Yield	1.3%-100.0%	6.2%
Credit derivatives	5	206	Discounted cash flows	Price/Yield	4.8%-6.4%	5.4%
Foreign exchange derivatives	4	1	Internal Pricing Model	Switch Factor	NA	NA
Interest rate derivatives	8	–	Internal pricing model	Switch Factor	NA	NA
			Internal pricing model	Lutz correlation parameter	NA	NA
Equity derivatives	20	20	Internal Pricing Model	Equity-Equity Correlation	44.9%-100.0%	80.0%
			Internal Pricing Model	Equity-FX Correlation	(36.4)%-48.9%	5.05%
Structured notes and deposits	–	226	Discounted cash flows	Price/Yield	4.8%-9.0%	6.5%
			Option pricing model	Switch factor	NA	NA
	1,884	453				

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44. Financial instruments (cont'd)

Level 3 movement tables - financial assets and liabilities (cont'd)

Group Instrument	Value at 31 December 2023		Principal valuation technique	Significant unobservable input	Range ^(a)	Weighted average ^(b)
	Assets S\$'million	Liabilities S\$'million				
Investment securities	1,466	–	Discounted cash flows	Price/Yield	(14.0)% - 20.9%	10.1%
			Discounted cash flows	Recovery rate	1.0% - 1.0%	1.0%
			Discounted cash flows	Discount rates	9.2% - 9.2%	9.2%
			Comparable yield	P/B multiples	0.5x – 0.8x	0.6x
			Comparable yield	Liquidity discount	20.0% - 20.0%	20.0%
				Equity value based on volatility	60% - 60%	60%
Loans and advances to banks	359	–	Option pricing model			
			Discounted cash flows	Repo curve	5.6% - 5.6%	5.6%
Loans and advances to customers	120	–	Discounted cash flows	Price/Yield	1.9% - 100%	13.68%
			Discounted cash flows			
Credit derivatives	29	125	Discounted cash flows	Credit Spreads	0.3% - 3.7%	1.5%
			Discounted cash flows	Price/Yield	7.3% - 7.8%	7.6%
Interest rate derivatives	2	–	Discounted cash flows	Interest Rate Curve	NA	NA
			Internal Pricing Model	Equity-Equity Correlation	44.1% - 100.0%	80.7%
Equity derivatives	13	13	Internal Pricing Model	Equity-FX Correlation	(35.9)% - 45.5%	14.2%
			Discounted cash flows			
Structured notes and deposits	–	300	Price/Yield		6.6% - 20.9%	13.7%
	1,989	438				

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44. Financial instruments (cont'd)

Level 3 movement tables - financial assets and liabilities (cont'd)

Bank Instrument	Value at 31 December 2024		Principal valuation technique	Significant unobservable input	Range ^(a)	Weighted average ^(b)
	Assets S\$'million	Liabilities S\$'million				
Investment securities	833	–	Discounted cash flows	Price/Yield	5.8%-15.3%	7.5%
			Discounted cash flows	Recovery rate	16.3%-16.3%	16.3%
Loans and advances to banks	487	–	Discounted cash flows	Repo curve	4.96%-5.1%	4.97%
Loans and advances to customers	517	–	Discounted cash flows	Price/Yield	1.3%-100.0%	6.2%
Credit derivatives	5	206	Discounted cash flows	Price/Yield	4.8%-6.4%	5.4%
Foreign exchange derivatives	4	1	Internal pricing model	Switch Factor	NA	NA
Equity derivatives	20	20	Internal Pricing Model	Equity-Equity Correlation	44.9%-100.0%	80.0%
			Internal Pricing Model	Equity-FX Correlation	(36.4)%-48.9%	5.05%
Structured notes and deposits	–	212	Discounted cash flows	Price/Yield	4.8%-9.0%	6.5%
	1,866	439				

Standard Chartered Bank (Singapore) Limited and its subsidiaries

Notes to the financial statements
For the financial year ended 31 December 2024

44. Financial instruments (cont'd)

Level 3 movement tables - financial assets and liabilities (cont'd)

Bank Instrument	Value at 31 December 2023		Principal valuation technique	Significant unobservable input	Range ^(a)	Weighted average ^(b)
	Assets S\$'million	Liabilities S\$'million				
Investment securities	1,457	–	Discounted cash flows	Price/Yield	(14.0)% - 20.9%	10.1%
			Discounted cash flows	Recovery rate	1.0% - 1.0%	1.0%
			Option pricing model	Equity value based on volatility	60% - 60%	60%
Loans and advances to banks	359	–	Discounted cash flows	Repo curve	5.6% - 5.6%	5.6%
Loans and advances to customers	120	–	Discounted cash flows	Price/Yield	1.9% - 100%	13.68%
Credit derivatives	29	125	Discounted cash flows	Credit Spreads	0.3% - 3.7%	1.5%
			Discounted cash flows	Price/Yield	7.3% - 7.8%	7.6%
Equity derivatives	13	13	Internal Pricing Model	Equity-Equity Correlation	44.1% - 100.0%	80.7%
			Internal Pricing Model	Equity-FX Correlation	(35.9)% - 45.5%	14.2%
Structured notes and deposits	–	286	Discounted cash flows	Price/Yield	6.6% - 20.9%	13.7%
	1,978	424				

^(a) The ranges of values shown in the above table represent the highest and lowest levels used in the valuation of the Group and the Bank's level 3 financial instruments as at 31 December. The ranges of values used are reflective of the underlying characteristics of these Level 3 financial instruments based on the market conditions at the balance sheet date. However, these ranges of values may not represent the uncertainty in fair value measurements of the Group's level 3 financial instruments.

^(b) Weighted average for non-derivative financial instruments have been calculated by weighting inputs by the relative fair value. N/A has been entered for the cases where weighted average is not a meaningful indicator.

44. Financial instruments (cont'd)

Level 3 movement tables - financial assets and liabilities (cont'd)

The below describes the significant unobservable input identified in the valuation technique table.

Credit spreads

Credit spreads represent the additional yield that a market participant would demand for taking exposure to the credit risk of an instrument.

Recovery rates

Recovery rates are the expectation of the rate of return resulting from the liquidation of a particular loan. As the probability of default increases for a given instrument, the valuation of that instrument will increasingly reflect its expected recovery level assuming default. An increase in the recovery rate, in isolation, would result in a favourable movement in the fair value of the loan.

Comparable price/Yield

Comparable pricing is a valuation methodology in which a price of a comparable instrument is used to estimate the fair value where there are no direct observable prices. Yield is the interest rate that is used to discount the future cash-flows in a discounted cash-flow model. Valuation using comparable instruments can be done by calculating an implied yield (or spread over a liquid benchmark) from the price of a comparable instrument, then adjusting that yield (or spread) to derive a value for the instrument. The adjustment should account for relevant differences in the financial instruments such as maturity and/or credit quality. Alternatively, a price-to-price basis can be assumed between the comparable instrument and the instrument being valued in order to establish the value of the instrument (e.g., deriving a fair value for a junior unsecured bond from the price of a senior secured bond). An increase in price, in isolation, would result in a favourable movement in the fair value of the asset. An increase in yield, in isolation, would result in an unfavourable movement in the fair value of the asset.

Correlation

Correlation is the measure of how movement in one variable influences the movement in another variable. An equity correlation is the correlation between two equity instruments.

Volatility

Volatility represents an estimate of how much a particular instrument, parameter or index will change in value over time. Generally, the higher the volatility, the more expensive the option will be.

Interest rate curves

Interest rate curve is the term structure of interest rates and measure of future interest rates at a particular point of time.

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Notes to the financial statements
For the financial year ended 31 December 2024

44. Financial instruments (cont'd)

Valuation techniques of financial instruments measured at amortised cost

The following table summarises the carrying amounts and incorporates the Group and the Bank's estimate of fair values of those financial assets and liabilities not presented on the Group and the Bank's statement of financial position at fair value. The fair values in the table below may be different from the actual amount that will be received/paid on the settlement or maturity of the financial instrument. For certain instruments, the fair value may be determined using assumptions for which no observable prices are available.

Group	Carrying amount S\$'000	Fair value			
		Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
2024					
Loans and advances to customers	72,980,561	—	1,380,958	74,476,750	75,857,708
2023					
Loans and advances to customers	66,987,736	—	1,130,636	65,905,443	67,036,079
Bank	Carrying amount S\$'000	Fair value			
		Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
2024					
Loans and advances to customers	58,999,420	—	1,380,958	60,661,107	62,042,065
2023					
Loans and advances to customers	54,345,654	—	1,130,636	53,331,328	54,461,964

The following sets out the Group's basis of establishing fair values of amortised cost financial instruments. As certain categories of financial instruments are not traded, there is a significant level of management judgement involved in calculating the fair values.

44. Financial instruments (cont'd)

Valuation techniques of financial instruments measured at amortised cost (cont'd)

Cash and balances with central banks

The fair value of cash and balances at central banks is their carrying amounts.

Loans and advances to banks and customers and bills receivable

For loans and advances to banks, the fair value of floating rate placements and overnight deposits is their carrying amounts. The estimated fair value of fixed interest bearing deposits is based on discounted cash flows using the prevailing money market rates for debts with a similar credit risk and remaining maturity.

The fair value of loans and advances to customers and bills receivable with a residual maturity of less than one year generally approximates the carrying value, subject to any significant movement in credit spreads. The estimated fair value of loans and advances to customers and bills receivable with a residual maturity of more than one year represents the discounted amount of future cash flows expected to be received, including assumptions relating to prepayment rates and, where appropriate, credit spreads. Expected cash flows are discounted at current market rates to determine fair value. The Group has a wide range of individual instruments within its loans and advances and bills receivable portfolio and as a result providing quantification of the key assumptions used to value such instruments is impractical.

Investment securities

For investment securities that do not have directly observable market values, the Group utilises a number of valuation techniques to determine fair value. Where available, securities are valued using inputs proxies from the same or closely related underlying (for example, bond spreads from the same or closely related issuer) or inputs proxies from a different underlying (for example, a similar bond but using spreads for a particular sector and rating). Certain instruments cannot be proxies as set out above, and in such cases the positions are valued using non-market observable inputs. This includes those instruments held at amortised cost and predominantly relate to asset-backed securities. The fair value for such instruments is usually proxies from internal assessments of the underlying cash flows. The Group has a wide range of individual investments within the unlisted debt securities portfolio. Given the number of instruments involved, providing quantification of the key assumptions used to value such instruments is impractical, with no one assumption being material.

Deposits and borrowings

The estimated fair value of deposits with no stated maturity is the amount repayable on demand. The estimated fair value of fixed interest bearing deposits and other borrowings without quoted market prices is based on discounted cash flows using the prevailing market rates for debts with a similar credit risk and remaining maturity, and approximates their carrying amounts.

Structured notes and deposits

The fair value of structured notes and deposits approximates the carrying amount.

Subordinated notes

The fair value of the floating rate subordinated notes approximates the carrying amount.

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For the financial year ended 31 December 2024

44. Financial instruments (cont'd)

Sensitivities in respect of the fair value of Level 3 assets and liabilities

Sensitivity analysis is performed on products with significant unobservable inputs. The Group applies a 10 per cent increase or decrease on the values of these unobservable inputs, to generate a range of reasonably possible alternative valuations. The percentage shift is determined by statistical analyses performed on a set of reference prices based on the composition of the Group's Level 3 assets. Favourable and unfavourable changes are determined on the basis of changes in the value of the instrument as a result of varying the levels of the unobservable parameters. This Level 3 sensitivity analysis assumes a one way market move and does not consider offsets for hedges.

Group	Net exposure S\$'million	Favourable changes S\$'million	Unfavourable changes S\$'million
2024			
Investment securities	843	882	805
Loans and advances to banks	487	489	484
Loans and advances to customers	517	523	509
Structured notes and deposits	(226)	(214)	(237)
Derivative financial instruments	(190)	(184)	(196)
	1,431	1,496	1,365
Group	Net exposure S\$'million	Favourable changes S\$'million	Unfavourable changes S\$'million
2023			
Investment securities	1,466	1,523	1,379
Loans and advances to banks	359	360	359
Loans and advances to customers	120	121	118
Structured notes and deposits	(300)	(298)	(302)
Derivative financial instruments	(94)	(53)	(131)
	1,551	1,653	1,423

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44. Financial instruments (cont'd)

Sensitivities in respect of the fair value of Level 3 assets and liabilities (cont'd)

Bank	Net exposure S\$'million	Favourable changes S\$'million	Unfavourable changes S\$'million
2024			
Investment securities	833	871	796
Loans and advances to banks	487	489	484
Loans and advances to customers	517	523	509
Structured notes and deposits	(212)	(202)	(221)
Derivative financial instruments	(198)	(193)	(203)
	1,427	1,488	1,365
2023			
Investment securities	1,457	1,513	1,371
Loans and advances to banks	359	360	359
Loans and advances to customers	120	121	118
Structured notes and deposits	(286)	(285)	(286)
Derivative financial instruments	(96)	(55)	(133)
	1,554	1,654	1,429

44. Financial instruments (cont'd)

Offsetting of financial instruments

The tables below set out the related amounts not offset in the statement of financial position. This comprises:

- (a) Financial instruments not offset in the balance sheet, but covered by an enforceable netting agreement - this comprises master netting arrangements or similar agreements held against derivative financial instruments and excludes the effect of over collateralisation; and
- (b) Financial collateral - This comprises cash collateral pledged and received for derivative financial instruments, collateral bought and sold for reverse repurchase and repurchase agreements respectively, collateral bought and sold for securities borrowing and lending agreements respectively and excludes the effect of over collateralisation.

The similar agreements include derivative clearing agreements, global master repurchase agreements and global master securities lending agreements.

The ISDA and similar master netting arrangements do not meet the criteria for offsetting in the statement of financial position. This is because they create for the parties to the agreement, a right of set-off of recognised amounts that is enforceable only following an event of default, insolvency or bankruptcy of the Group and the Bank or the counterparties or following other predetermined events. In addition, the Group and the Bank and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The Group receives and gives collateral in the form of cash and marketable securities in respect of the following transactions:

- derivatives
- sale and repurchase and reverse sale and repurchase agreements
- securities lending and borrowing

Such collateral is subject to standard industry terms including, when appropriate, an ISDA Credit Support Annex. This means that securities received/given as collateral can be pledged or sold during the term of the transaction but have to be returned on maturity of the transaction. The terms also give each party the right to terminate the related transactions on the counterparty's failure to post collateral.

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Notes to the financial statements
For the financial year ended 31 December 2024

44. Financial instruments (cont'd)

Offsetting of financial instruments (cont'd)

Group	Carrying amounts on statement of financial position S\$'000	Financial instruments not in scope of offsetting disclosures S\$'000	Gross recognised financial instruments in scope S\$'000	Related amounts not offset in the statement of financial position		Net amount S\$'000
				Financial instruments S\$'000	Financial collateral S\$'000	
2024						
Assets						
Derivative financial instruments	6,101,190	384,983	5,716,207	(3,754,402)	–	1,961,805
Reverse repurchase, securities borrowing and similar agreements	12,489,627	–	12,489,627	–	(12,449,677)	39,950
At 31 December 2024	18,590,817	384,983	18,205,834	(3,754,402)	(12,449,677)	2,001,755
Liabilities						
Derivative financial instruments	6,530,000	668,664	5,861,336	(3,754,402)	–	2,106,934
Sale and repurchase, securities lending and similar agreements	1,274,560	–	1,274,560	–	(1,272,040)	2,520
At 31 December 2024	7,804,560	668,664	7,135,896	(3,754,402)	(1,272,040)	2,109,454
2023						
Assets						
Derivative financial instruments	4,110,129	303,515	3,806,614	(2,677,808)	–	1,128,806
Reverse repurchase, securities borrowing and similar agreements	12,610,337	–	12,610,337	–	(12,606,837)	3,500
At 31 December 2023	16,720,466	303,515	16,416,951	(2,677,808)	(12,606,837)	1,132,306
Liabilities						
Derivative financial instruments	4,999,850	660,647	4,339,203	(2,677,808)	–	1,661,395
Sale and repurchase, securities lending and similar agreements	1,325,569	–	1,325,569	–	(1,325,518)	51
At 31 December 2023	6,325,419	660,647	5,664,772	(2,677,808)	(1,325,518)	1,661,446

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Notes to the financial statements
For the financial year ended 31 December 2024

44. Financial instruments (cont'd)

Offsetting of financial instruments (cont'd)

Bank	Carrying amounts on statement of financial position S\$'000	Financial instruments not in scope of offsetting disclosures S\$'000	Gross recognised financial instruments in scope S\$'000	Related amounts not offset in the statement of financial position		Net amount S\$'000
				Financial instruments S\$'000	Financial collateral S\$'000	
2024						
Assets						
Derivative financial instruments	5,055,556	170,087	4,885,469	(3,560,989)	–	1,324,480
Reverse repurchase, securities borrowing and similar agreements	9,650,023	–	9,650,023	–	(9,610,072)	39,951
At 31 December 2024	14,705,579	170,087	14,535,492	(3,560,989)	(9,610,072)	1,364,431
Liabilities						
Derivative financial instruments	5,139,974	126,729	5,013,245	(3,560,989)	–	1,452,256
Sale and repurchase, securities lending and similar agreements	1,170,343	–	1,170,343	–	(1,167,822)	2,521
At 31 December 2024	6,310,317	126,729	6,183,588	(3,560,989)	(1,167,822)	1,454,777
2023						
Assets						
Derivative financial instruments	3,185,753	103,830	3,081,923	(2,414,083)	–	667,840
Reverse repurchase, securities borrowing and similar agreements	9,843,445	–	9,843,445	–	(9,839,945)	3,500
At 31 December 2023	13,029,198	103,830	12,925,368	(2,414,083)	(9,839,945)	671,340
Liabilities						
Derivative financial instruments	3,830,646	106,186	3,724,460	(2,414,083)	–	1,310,377
Sale and repurchase, securities lending and similar agreements	1,275,533	–	1,275,533	–	(1,275,482)	51
At 31 December 2023	5,106,179	106,186	4,999,993	(2,414,083)	(1,275,482)	1,310,428

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Notes to the financial statements
For the financial year ended 31 December 2024

44. Financial instruments (cont'd)

Offsetting of financial instruments (cont'd)

Financial collateral pledged and received for derivative financial instruments are held by the Group and the Bank.

Reclassification of financial assets

The carrying and fair values, statement of profit or loss impact and expected cash flows from the reclassified assets are not material at the end of the reporting period.

45. Non-current assets and liabilities

Non-current assets and liabilities (not expected to be settled or recovered within the next 12 months) are as follows:

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Assets				
Singapore government securities and treasury bills	3,203,134	648,127	3,203,134	648,127
Other government securities and treasury bills	7,444,456	6,687,996	2,764,472	3,897,647
Derivative financial instruments	156,759	85,926	156,272	62,634
Investment securities	5,452,542	6,346,638	5,336,777	5,988,399
Loans and advances to banks	1,909,709	117,231	1,871,413	115,930
Loans and advance to customers	42,527,907	40,020,115	35,327,253	33,615,450
Bills receivable	271	16,421	271	3,661
Amounts due from intermediate holding company and its branches	387,243	1,976,371	387,243	1,976,371
Amounts due from related corporations	17,166	—	17,166	—
Investments in associates	89,514	77,363	72,509	66,092
Investments in subsidiaries	—	—	3,575,604	3,464,603
Deferred tax assets	55,780	53,484	—	—
Property and equipment	383,106	414,633	341,446	368,800
Goodwill and intangible assets	1,006,891	1,023,584	767,895	786,107
	62,634,478	57,467,889	53,821,455	50,993,821

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45. Non-current assets and liabilities (cont'd)

	Group		Bank	
	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000
Liabilities				
Deposits and balances of banks	544,189	545,412	544,189	545,412
Deposits of non-bank customers	131,754	447,059	66,641	49,809
Derivative financial instruments and other trading liabilities	551,940	574,319	388,338	275,093
Bills and drafts payable	–	4,881	–	–
Structured notes and deposits	1,580,015	192,474	1,562,341	82,364
Amounts due to intermediate holding company and its branches	56,722	365,258	56,722	365,258
Amounts due to related corporations	1,375,014	694,153	82,778	–
Subordinated notes	3,738,019	3,568,810	3,585,998	3,149,254
Deferred tax liabilities	66,051	74,503	66,051	74,503
Other liabilities	189,580	207,434	175,776	192,661
	8,233,284	6,674,303	6,528,834	4,734,354

Other than the items disclosed above, all other balances are current.

46. Post balance sheet events

On 3 January 2025, SCB Thailand completed the registration of reduction of the registered capital and paid-up capital with the local authorities in Thailand. The capital change was done via reduction in the par value of each share with no change to the number of shares, as approved by Bank of Thailand.

As a result, the Bank's investment in SCB Thailand was decreased by US\$99.9m with ownership interest remaining at 99.871%.

47. Authorisation of financial statements for issue

The financial statements of the Bank and the Group were authorised for issue by the Board of Directors on 19 March 2025.

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